Daily Report

Latin America

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FBIS-LAT-91-042 *4 March 1991*

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Andean Pact Health Ministers Meet in Lima

PY2802153891 Lima RTP Television Network in Spanish 1100 GMT 28 Feb 91

[Excerpts] Some of the agreements reached by the Andean Pact health ministers who met in Lima yesterday foresee the full support for the Peruvian Government's efforts against the cholera epidemic and the creation of an international fund to confront this illness in Latin America and the Caribbean.

During the meeting the health ministers thoroughly analyzed the problems of the epidemic which has caused the death of more than 100 people. Prime Minister Carlos Torres y Torres Lara also attended the meeting.

The meeting began yesterday at 1500 in a Miraflores hotel. The health ministers analyzed the evolution of the cholera epidemic in Peru. The health ministers of Chile and Brazil also attended the meeting. Colombian Health Minister Camilo Gonzalez Pozo said that they want to encourage more cooperation among the regional countries since the health ministers are responsible for people's lives in this part of the continent.

Bolivian Health Minister Mario Paz Zamora stressed the unity among the ministers and demanded similar meetings in the future.

The Peruvian health minister felt pleased with the meeting which was organized in only five days.

The Peruvian prime minister thanked the health ministers' gesture of solidarity. Torres y Torres Lara regretted that Peru has been chosen by destiny to bear this epidemic. He said that the situation is owed to the hunger felt in this part of the world. [passage omitted]

The Andean Group health ministers approved four resolutions in which they expressed their firm support for the Peruvian Government's effort in combating the cholera epidemic. They also requested support from the international community for the creation of an international fund to face cholera in Latin America and the Caribbean.

The health ministers endorsed the recommendations made by the World Health Organization to prevent scientifically unfounded restrictions against Peruvian export products like fish, agricultural, and agro-industrial products. The ministers also agreed to enforce stricter norms to prevent the dissemination of cholera in the region by strengthening the expert technical teams in border areas. These were the resolutions announced at the closure of the meeting of the Andean Pact health ministers.

Mexico Announces Cooperation Plan With Caricom

FL0203153591 Bridgetown CANA in English 1505 GMT 2 Mar 91

[Text] Port of Spain, Trinidad, March 2, CANA—Mexico has announced a programme of technical co-operation for Caribbean Community (Caricom) [Caribbean Common Market] countries, to be implemented this year. Mexican Ambassador Hector Ezeta told leaders and delegates at the regional economic conference which ended in Port of Spain on Friday, that the Mexican programme will contain "concrete measures" in key sectors of special interest to Caricom. Mexico, an observer at the conference, said action to promote trade and co-operation with the region is progressing.

The ambassador said Mexico was seeking support of an international organization to identify industrial projects in the region for possible Mexico-Caribbean joint ventures. He proposed that discussions be held on the establishment of a strategy on trade promotion between the region and Mexico.

"It is necessary that the trade liberalisation processes between our countries be accompanied by promotional, financial, transport and investment measures that give an opportunity to our economic agents to profit from the opportunities that trade liberalisation would open for them," said Ezeta.

Human Rights Commission Plans Visits To Region

FL2602191591 Bonaire Trans World Radio in English 1130 GMT 26 Feb 91

[Text] The Inter-American Human Rights Commission has ended its regular meeting in Washington. It issued a communique expressing concern over the situation in Cuba and Suriname. The commission affiliated with the Organization of American States is also making arrangements to visit Colombia, El Salvador, and Peru to review the human rights situation there.

The commission called the situation in Colombia worrisome, but did not elaborate. The panel expressed concern over the circumstances of political prisoners in El Salvador, as well as the pace of legal proceedings against human rights violators.

Several individual cases will be investigated in Peru and the group had praise for the situation in Haiti and Panama.

Cuba

UN Envoy Attacks Last Council Gulf Resolution

PA0303152591 Havana International Service in Spanish 1400 GMT 3 March 91

[Text] Cuba has charged at the UN that the United States has repeatedly manipulated the Security Council.

On Saturday, the United States got the UN Security Council to approve a U.S. draft resolution that leaves open the possibility for the continuation of the war against Iraq.

Prior to voting on the draft resolution, Ricardo Alarcon, Cuban ambassador to the UN, said that his country opposed the document because it maintained the threat of using force and justified the presence of foreign troops in the Persian Gulf, despite the fact that Kuwaiti independence had been restored.

Alarcon said: Cuba rejects the attempts to treat the Security Council as if it were a garrison, so that we act at the sound of a bugle with the discipline and obedience of young recruits.

After stressing that the Security Council cannot delegate its responsibilities to any state, Alarcon charged that some elements in the approved text seem to seek justification for the partial occupation of Iraqi territory by the multinational contingent that is headed by the United States.

Meanwhile, Yemeni Ambassador 'Abdallah Salih al-Ashtal deplored the fact that the approved resolution does not suspend the embargo on sending food to Iraq, minimizes the UN's role in the conflict, and fails to mention the withdrawal of foreign troops from the Gulf.

The U.S. draft resolution received seven votes in favor and one against it, which was Cuba. China, Yemen, and India abstained.

Alleged U.S. Domination in UN Denounced

FL2802225591 Havana Radio Reloj Network in Spanish 2034 GMT 28 Feb 91

[Text] Ricardo Alarcon de Quesada, Cuban ambassador to the United Nations, denounced today at the United Nations that the Security Council continues to be shunted aside because decisions are being made unilaterally by the United States. The Cuban diplomat said that Bush's announcement and cease-fire plan were agreed upon before Iraq had accepted all 12 resolutions and without consulting with the Security Council. Alarcon de Quesada informed the press that maybe, again like at the beginning of the Gulf crisis, the United States will impose its resolutions with the help of a few countries willing to accept Washington's decisions. When asked of the possibilities for the approval of a cease-fire resolution, the Cuban ambassador replied that is the top priority.

Commentary Notes Lessons of Gulf Conflict

FL0203021891 Havana Radio Rebelde Network in Spanish 0000 GMT 2 Mar 91

[Lazaro Barrero commentary]

[Text] The hawks are acting boastfully in Washington and the praises are deafening, to the degree that U.S. President is presented to the public opinion as a Super Bush. The inebriating euphoria could lead the Americans to come to the wrong conclusions, especially, when it is also being claimed that Iraq has been a challenge for the United States because of the pride that was lost in Vietnam. It is evident that the truth is being tampered with.

The results of the conflicts in the Persian Gulf were not so much due to military victory but to the wrong political and strategic decisions by the opposing side. Why do I say this in such a categorical way? Because precisely several days prior to the sudden outcome, THE NEW YORK TIMES published an official report by the U.S. National Security Council headed by Bush and his main advisers which clearly outlined the administration's concerns. The report said: In cases in which the United States faces weaker enemies, our objective would not simply consist in defeating them but in defeating them quickly and decisively.

Why this concern? The official document itself published by THE NEW YORK TIMES gave the response. The mere fact of having our forces drained in a long conflict, or of uncertain results, or of embarrassing us by inflicting damages to some visible element of our Armed Forces, would be enough victory for the nonhostile small country. This could undermine the political support to the efforts we undertook against them.

Such observation reflected the White House's nervousness if the mother of all the battles took place. Needless to say, that if on 2 August, Iraq gave the United States the pretext on a silver platter by invading Kuwait, Iraq served it to the United States on a gold platter with its unilateral withdrawal under the coalition's constant siege. This was also given by those who committed miscalculations and, because of indulgence, completely submitted themselves to the U.S. plans under the auspices of the UN Security Council.

I believe that this conflict undoubtedly teaches lessons which requires from revolutionaries some reflection with a good amount of serenity. During these days I have been remembering what Fidel said at the beginning of January of 1988 during ExpoCuba's inauguration. He clearly warned about the dangers of that double standard in which the big ones reach many agreements on detente and peace but for the little ones the philosophy would be the resounding of the war drums each time that the superpower, the United States, decided to dictate its orders as the Bush doctrine advocates at this time.

The image of Che [Guevara] has been on my mind again and again when he said that you cannot give in to imperialists even a bit. Cubans love peace. Our ideas are aimed at finding social welfare but with independence, with the view of a free country. In today's world, such a will forces us to assume priorities. We do not like and would never want a war. The events, however, tell more and more how accurate Fidel's farsighted decision was when we assumed 10 years ago the task of developing the concept of the war of all the people to rely on ourselves for the defense of our independence. It is a logical principle that the more prepared we are the more we will be able to avoid it. Likewise, seeing so much technological arrogance in the Gulf, I am also convinced of how fitting the decision of prioritizing—even under the most difficult circumstances—the strategic defense tasks in the idea of continuing to make of the country an inexpugnable underground bastion with the view to preserve our men and women with their techniques and have enough capability to resist and win.

I am not concerned about enthusiasm. Marti said those who get enthused are the first-borns of the world. In the case of Cuba, after the crisis of October of 1962, when we were willing to assume the consequences of a nuclear holocaust with a smile on our face, nothing and nobody can intimidate us.

Public Participation in Defense Efforts Viewed

PA2802190891 Havana International Service in Spanish 0000 GMT 28 Feb 91

[Roberto Morejon commentary]

[Text] The Cuban people are preparing to successfully face the worst of possibilities, even foreign aggression. We are convinced that our situation as neighbors of the United States will perpetually pose the danger of intervention.

In view of the Persian Gulf events, the Revolutionary Armed Forces are aware of the importance of all people being involved in a war. As the name implies, the Cuban people are organized so that each individual carries out a specific task in case of a foreign aggression. [sentence as heard] Retired military officers and other instructors periodically train civilians during so-called defense days, which are complemented with [15-second break in reception].

Factories and shops take part in rehearsing operations under wartime conditions. Aside from the regular troops, hundreds of thousands of civilians belong to reserve units, production and defense brigades, and territorial militias. The latter are a large part of the population, which contributes to its expenses and supplies all the units' directive personnel who participate in defense day activities. Last year the militia supplied [6-second break in reception] to finance its organization. Basically, that amount comes from the donation of one day's salary each year by each of the country's workers, deducted by their unions.

The Cuban concept of defense includes the people's irreplaceable participation in almost all plans to repel foreign intervention.

Havana City Elects Central Committee Members

FL2802210091 Havana Radio Ciudad de La Habana in Spanish 1704 GMT 24 Feb 91

[Announcement made by Elections Committee Chairwoman Melba Andricain on the newly elected members of the Communist Party of Cuba, City of Havana Province Central Committee, during the provincial party conference at the Palace of Conventions in Havana—live]

[Excerpt] [passage omitted] Comrades: The vote results for members of the Provincial Committee were as follows:

A total of 493 delegates voted; 12 ballots were nullified; 481 ballots were valid. Out of 96 candidates, 80 comrades were elected. We request that they stand as their names are read:

Jorge Abreu Sanchez, 363 votes [applause]; Daisy Aguirre Pedrozo, 339 votes [applause]; Justa Miriam Aljovin de La Luz, 377 votes [applause]; Benigno Alvarez Silva, 375 votes [applause]; Jose Alvarez Viera, 400 votes [applause]; Rosalia Arnaez Gonzalez, 431 votes [applause]; Alexis (Armeller) Hernandez, 429 votes [applause]; Mario Avila Alvarez, 339 votes [applause]; Gilda Glenda Azoy Quintana, 434 votes [applause].

Juana Bertha Bacallao Torres, 352 votes [applause]; Arturo Bas Fernandez, 364 votes [applause]; Gladys Bejerano Portela, 423 votes [applause]; Julio Cesar Bormey Felipe, 392 votes [applause]; Anselmo Camero Pino, 400 votes [applause]; Ramon Caraballo Rodriguez, 405 votes [applause]; Lino Carreras Rodriguez, 456 votes [applause]; Daisy Carvajal Quintana, 360 votes [applause]; Jorge Ceballos Martinez, 432 votes [appluse]; Lizette (?Veriana) Cortina Garcia, 376 votes [applause]; Leonardo Cuesta Mejia, 356 votes [applause]; Lazaro Chao Rodriguez, 369 votes [applause]; Pedro Chavez Gonzalez, 440 votes [appaluse].

Ana Maria Diaz-Canel Navarro, 369 votes [applause]; Cristina Diaz Lopez, 358 votes [applause]; Carlos Dotres Martinez, 421 votes [applause]; Jorge Duquesne Alfaro, 344 votes [applause]; Victor Fernandez Gonzalez, 421 votes [applause]; Rolando Fernandez Tamarit, 342 votes [applause]; Teresita Garcia Moruarte, 440 votes [applause]; Jose Gell Noa, 438 votes [applause]; Vivencio Gonzalez Herrera, 371 votes [applause]; Noel Gonzalez Rodriguez, 358 votes [applause]; Luis Grau Fernandez, 351 votes [applause].

Eduardo Heredia Varela, 340 votes [applause]; Mayra Rosa Hernandez Petersen, 381 votes [applause]; Roberto Hidalgo Linares, 408 votes [applause]; Felix Jimenez Perez, 376 [applause]; Jorge Lezcano Perez, 461

[applause]; Mirtha Lescay Garrido, 428 [applause]; Wilfredo Lopez Vazquez, 392 [applause]; Virgilio Losada Vasallo, 386 [applause].

Gilda (?Martinaz) Rodriguez, 376 [applause]; Omar Angel Martinez Diaz, 397 [applause]; Braulio Martinez Garcia, 436 [applause]; Leonardo Martinez Lopez, 334 [applause]; Pedro Martinez Villa, 367 [applause]; Isabel Moinelo Hernandez, 332 [applause]; Raul Montpeller Perez, 420 [applause]; Alfredo Morales Cartaya, 430 [applause]; Luis Nerey Andreu, 395 [applause]; Maria Luisa Nunez Carricarte, 370 [applause].

Pablo O'Farrill Romero, 339 [applause]; Evelio Ortega Blanco, 386 [applause]; Jose Padilla Capetillo, 424 [applause]; Candido Palmero Hernandez, 458 [applause]; Roberto Padilla Arguellez, 438 [applause]; Dulce Emma Pedroso Perez, 399 [applause]; Ricardo Penalver Rodriguez, 423 [applause]; Ramon Perdomo Manso, 429 [applause]; Juan Alberto Perez Aguilar, 435 [applause]; Eliezer Perez Armas, 435 [applause]; Arnaldo Perez Perez, 384 [applause]; Niurka Prado Peraza, 378 [applause]; Delsa Puebla Viltre, 403 [applause]; Nelida Quintero Martinez, 345 [applause].

Norberto Ramirez Oliva, 433 [applause]; Jose Hugo Real del Sol, 355 [applause]; Reiner Regal Reyes, 343 [applause]; Mirtha Rosa Rodriguez Alonso, 397 [applause]; Hector Rodriguez Hernandez, 401 [applause]; Evidio Rodriguez Lopez, 414 [applause]; Alberto Rodriguez Ricardo, 367 [applause]; Jose Ramon Rodriguez Rodriguez, 412 [applause].

Jorge Luis Sora Olivera, 408 [applause]; Luis de Jesus Suardiaz Rivero, 330 [applause]; Carlos Ricardo Suarez Monteagudo, 366 [applause]; Eduardo Tejera Martinez, 407 [applause]; Jose Luis Toledo Santander, 356 [applause]; Elpidio Torres Falcon, 407 [applause]; and Milagros Vivo (Morasen), 324 [applause].

These are the members of the provincial Communist Party of Cuba Central Committee. [prolonged applause] [passage omitted]

Electric Power Generation Levels Reduced

FL0203031091 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 2 Mar 91

[Text] The Electric Union reports that there have been reductions in the levels of electricity generation because of the fuel situation and the difficulties experienced yesterday in transporting fuel to the thermoelectric power plants. Priority has been given to the sugarcane harvest and vital needs of the population as a result of these problems. The system should begin to stabilize after tonight's electricity consumption peak, that is, beginning at 2200. We will continue to inform consumers about this situation.

Signed, Electric Union.

Nickel Plant Closes for Lack of Supply, Upkeep

FL0103181691 Havana Tele Rebelde Network in Spanish 1200 GMT 1 Mar 91

[Text] The (Pedro Soto Alba) nickel plant located in Moa is undergoing maintenance. In view of this, fifty industrial [pieces of] equipment will undergo full maintenance.

The stoppage of this Holguin Province plant was due to damage in several reactors and to the lack of chemical elements. Because of this, the annual maintenance period scheduled for April was set ahead. It is expected that repair operations at the (Soto Alba) plant, which processes nickel concentrate and cobalt for export, will be completed before 8 March.

CTC National Council Begins Plenary Session

FL0103183891 Havana Tele Rebelde Network in Spanish 1800 GMT 1 Mar 91

[Text] The 59th plenary session of the CTC [Cuban Workers Federation] National Council began today at the Lazaro Pena Theater to evaluate fulfillment of the agreements and resolutions of the 16th CTC Congress, which was held a year ago. The meeting is being chaired by Politburo members Jose Ramon Machado Ventura and Pedro Miret Prieto. In reading the main report, CTC Secretary General Pedro Ross stated that the decisions of the workers' congress constitute the union movement's plan of action until the 17th congress is held. He stressed that up to the time of this evaluation, more than 78,000 agreements have been resolved or responded to.

Death of Minfar Directorate Official Reported

FL0103193591 Havana Radio Progreso Network in Spanish 1725 GMT 1 Mar 91

[Text] Major Ruben Placeres Calderon died yesterday as a result of a sudden illness. The wake is being held at the funeral home on the corner of Calzada and K Streets in Havana City. The burial will be held at the Colon cemetery this afternoon.

Major Placeres Calderon was a revolutionary with a long and outstanding service record. At the time of his death Ruben Placeres, who had fulfilled an internationalist mission in Angola, was an official of the Press, Radio and Television Department of the Central Political Directorate of the Ministry of the Revolutionary Armed Forces.

Relay Station Being Built in Ciego de Avila

FL0103231091 Havana Radio Reloj Network in Spanish 2058 GMT 1 Mar 91

[Text] The civil construction of the first communications project in the northern coast has been completed in Ciego de Avila [Province] as part of the planned services needed for the development of national and international tourism. Once equipped, the relay station located

at Cunagua Hill, will receive telegraph, telephone, and radio signals which will be transmitted via microwave to another receiving station been built in Cayo Coco. The tower will be 60 meters high. The surrounding fence, streets, and other exterior areas have not yet been completed yet. Aside from being connected to the national electric energy network, it will have an emergency generator.

Namibian President Nujoma Pays Official Visit

Responds To Castro's Invitation

FL2802195091 Havana Tele Rebelde Network in Spanish 1200 GMT 28 February 91

[Text] Sam Nujoma, president of SWAPO [South West Africa People's Organization] and of the Republic of Namibia, will arrive in Cuba tomorrow on an official friendly visit in response to an invitation extended by Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba, and president of the Council of State and Council of Ministers.

The Namibian president's visit will help to strengthen the traditional friendly Cuban-Namibian ties. Sam Nujoma was unanimously elected first president of Namibia by the members of the constituent assembly. He assumed his duties on 21 March 1990.

Arrives in Havana 1 Mar

FL0103184591 Havana Tele Rebelde Network in Spanish 1800 GMT 1 Mar 91

[Excerpt] Sam Nujoma, president of the South West Africa People's Organization [SWAPO] and the Republic of Namibia, arrived this morning in Havana on an official visit. Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and Ministers, was at the Jose Marti Airport in Havana to welcome the Namibian president. [passage omitted]

Talks Begin With Castro

FL0203133091 Havana Tele Rebelde Network in Spanish 1200 GMT 2 Mar 91

[Text] The Jose Marti Order was given last night to Sam Nujoma, the president of the South West Africa People's Organization [SWAPO] and the Republic of Namibia, by Commander in Chief Fidel Castro in recognition of the ties of friendship between the Cuban and Namibian peoples. The usual speech was given by Council of Ministers Vice President Jose Ramon Fernandez, who expressed our people's pride in receiving Sam Nujoma as the genuine representative of the Namibian people. Nujoma is making an official and friendly visit to Cuba.

Fernandez asserted that Cuba celebrated the victory of the Namibian people as if it had been our own, after the just and lengthy fight for independence. In responding to these words, Nujoma said that he and the delegation he heads are thankful for the high honor and are pleased to once again be in Cuba, the land of Camilo [Cienfuegos], [Antonio] Maceo, and Che Guevara.

Sam Nujoma's activities in our country began early yesterday morning. At the Palace of the Revolution, Commander in Chief Fidel Castro and Sam Nujoma began their official talks. The meeting was held in a friendly atmosphere and with the presence of officials from both nations. Fidel and Nujoma exchanged opinions concerning the international situation, the situation of Third World countries, and the strengthening of bilateral ties. Shortly after his arrival in Cuba, the SWAPO president and head of state of the Republic of Namibia paid tribute to our national hero, Jose Marti, with a floral wreath laid at the monument to Marti in Revolution Square.

Assembly President Concludes Visit to USSR

Grants News Conference

FL0103123391 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 1 Mar 91

[Daisy Gomez, Soviet Union correspondent, report]

[Text] A delegation of the Cuban National Assembly, headed by its president, Juan Escalona Reguera, has just concluded an official visit to Moscow in reply to an invitation by the USSR Supreme Soviet. During a news conference here, Escalona explained that his delegation gives continuity to the increasing exchange of parliamentary delegations between our two countries. This has made it possible for three groups [words indistinct] to visit our island in this past year.

Answering a question on the status of Cuban-Soviet relations, Escalona pointed out that in the numerous interviews conducted during his nine days stay the Soviet leaders with whom he met confirmed their willingness to comply with the economic accords signed last 29 December.

[Begin recording] [Gomez] Escalona, what do you consider is the primary outcome of this Soviet visit?

[Escalona] [Words indistinct] to give continuity to an exchange of experiences between our two parliaments. I could tell you that the visit has surpassed our expectations. We have seen up close the difficulties the Soviet Union is experiencing and how complicated this current situation is. Of course, we have explained to them how these difficulties have affected the country, our own country, and the problems we are facing during the special period. They have been greatly receptive. They have expressed a firm political will to immediately contribute to finding the solution to our most difficult problems.

Our trip's main goal has been fully reached. We hope that our efforts have somehow made a contribution so

that the will these men have expressed is materialized as soon as possible. This has been a trip full of hard work, full of activities. It has allowed us to get very close to this complex new Soviet problem.

[Gomez] Thank you for your remarks for the Cuban television viewers. We wish you a happy return to Cuba. [end recording]

Returns Safely; Notes Results

FL0103135391 Havana Radio Rebelde Network in Spanish 1313 GMT 1 Mar 91

[Text] Juan Escalona Reguera, president of the National Assembly of the People's Government, has returned to Cuba after a visit of several days to the Soviet Union. During his visit, he met with leaders of the Soviet Government and party. Upon his arrival, Escalona held a news conference at the Havana airport and stated that he had felt the Soviet leaders' respect and love for Cuba.

He also said that on the Soviet side there is a willingness to make an effort to find solutions to the problems, but we must keep in mind that these are complex difficulties. During his stay in Moscow, at the invitation of the Supreme Soviet, Juan Escalona Reguera met with Supreme Soviet President Anatoliy Lukyanov, who expressed to him the Soviets' will to fulfill the commitments made to Cuba.

Further Reportage on Visit

WA0103121591

For reportage on the official visit to the Soviet Union by Juan Escalona Reguera, chairman of the National Assembly of People's Power, see the 1 March Soviet Union DAILY REPORT and subsequent issues.

DPRK Military Delegation Arrives for Visit

FL0103153491 Havana Tele Rebelde Network in Spanish 1200 GMT 1 Mar 91

[Text] Army General Ch'oe Kwang, the DPRK chief of the General Staff, [title as heard] arrived in Cuba last night on an official visit at the head of a high-ranking DPRK military delegation.

The DPRK officials were welcomed at the Jose Marti Airport by Division General Ulises Rosales del Toro, Minfar [Ministry of the Revolutionary Forces] first vice minister and chief of the General Staff; and other high-ranking chiefs and officers.

This visit strengthens even further the existing friendly ties between Cuba and the DPRK.

Medals Presented to Delegation

FL0203131391 Havana Tele Rebelde Network in Spanish 1200 GMT 2 Mar 91

[Text] Army General Raul Castro, second secretary of the Central Committee of the Communist Party of Cuba and minister of the Revolutionary Armed Forces [FAR], last night gave the order of solidarity granted by the Council of State to Army General Ch'oe Kwang, a member of the Politburo of the Workers' Party and chief of the DPRK Army General Staff. The ceremony was held at the Ministry of the FAR, and during it Raul also gave the medal for combative fraternity to the rest of the high-ranking DPRK military delegation that is visiting our country.

Division General Ulises Rosales del Toro, chief of the FAR General Staff, spoke to those who had been decorated to stress that the combative friendship between our peoples and armed forces has passed the test of time and difficult moments during which one recognizes one's true friends. Relations between the Cuban and Korean peoples and armies, which have a lengthy history, are relations of extraordinary friendship which can only exist between true brothers. This was stated by Army General Ch'oe Kwang, a member of the Politburo of the Workers' Party and chief of the DPRK Army General Staff, during an event held at the General Maximo Gomez FAR Academy.

Previously, the official talks between the high-ranking DPRK military delegation and FAR representatives had begun at the FAR Ministry. Both delegations are headed by the respective chiefs of the general staffs, Army General Ch'oe Kwang and Division General Ulises Rosales del Toro. The DPRK military delegation is in our country in response to an invitation from the chief of the FAR General Staff.

Cuban-American Group To Promote Understanding

FL0103164591 Havana Radio Rebelde Network in Spanish 1255 GMT 28 Feb 91

[Text] A group of 35 Cuban residents of the United States, members of the so-called Cuban-American Coalition, is in Cuba to visit relatives and to promote communication and understanding with Cuban officials. This coalition advocates the rapprochement with and the non-confrontation of the revolutionary government as a means to resolve the numerous problems affecting the community.

During their stay in Cuba, the 35 members of the group will visit labor and student centers, as well as agricultural and tourism development programs in Havana City and Matanzas Provinces.

[Havana Radio Rebelde Network in Spanish at 1000 GMT on 1 March reports in its headline news that "Americans visiting Cuba have condemned the U.S. embargo against Cuba."]

Interest in Caribbean Plan Participation Noted

FL0103000991 Havana Radio Reloj Network in Spanish 2038 GMT 28 Feb 91

[Text] Our country has reiterated its interest in continuing to participate in Latin American and Caribbean

integration plans and suggested that there should be a regional project in response to President Bush's initiative. Cuban Foreign Vice Minister Ramon Sanchez-Parodi, who was invited to participate as an observer, emphasized the importance of the current Caricom [Caribbean Community] regional economic conference being held in Port of Spain, Trinidad and Tobago.

Commenting on the deliberations of some 300 Caribbean officials on the area's expectations for the 21th century, Sanchez-Parodi identified two goals: to strengthen Caricom's structure and to increase its interaction with other Caribbean and Latin American countries. The Cuban minister pointed out that there are already important cooperation ties in the region.

Soviet Ambassador Visits Granma Province

FL0203025491 Havana Radio Rebelde Network in Spanish 0000 GMT 2 Mar 91

[Text] The Soviet and Cuban peoples have marched next to each other over the years along the not-so-easy paths of the construction of socialism and will be together forever. This was said in Bayamo, Granma Province, by Yuriy Petrov, Soviet ambassador to Cuba. The diplomat attended the assessment meeting of the work carried out in 1990 by the Granma branch of the Cuban-Soviet Friendship Association presided over by Alfredo Henriquez Vina, first secretary of the party in the province. Petrov said the Marxist-Leninist and Marti ideas are invincible and that Cuba and the Soviet Union will know how to overcome all the difficulties and emerge victorious from their struggle.

Presidency of UN Latin American Group Begins

FL0203155791 Havana Tele Rebelde Network in Spanish 1100 GMT 2 Mar 91

[Text] Cuba has assumed the Presidency of the Latin American and Carribean Group in the UN for one month. This group includes more than 40 Latin American and Caribbean countries and is in charge of examining and appointing from among them the candidates to the various UN bodies. The Presidency of the group rotates. Cuba is replacing Costa Rica, and this is the first time in over two years that it will hold this post. The work of this group under Cuba's Presidency will begin on 4 March and will be focussed on deciding the pending candidates for the UN Economic and Social Council, a Cuban diplomat has reported.

UN Human Rights Resolution Presented in Geneva

FL0203124591 Havana Tele Rebelde Network in Spanish 1200 GMT 2 Mar 91

[Text] At the 47th session of the UN Human Rights Commission in Geneva, 18 Latin American countries have presented a draft resolution on Cuba. The document recognizes the Cuban Government's cooperation with Secretary General Javier Perez de Cuellar, who last year received a mandate to investigate this matter in Cuba on account of U.S. pressure. The resolution being presented now by the Latin American group supports continuing contacts between the secretary general and Cuba. The initiative contrasts with an anti-Cuban draft by the United States that demands the appointment of a special representative of the commission for our country. The session began in Geneva on 28 January and should run until 8 March.

Inter-Caribbean Affairs

Caricom Conference on Regional Development Ends

FL0203190091 Bridgetown CANA in English 1626 GMT 2 Mar 91

[Paget de Freitas report]

[Text] Port of Spain, Trinidad, March 2, CANA—A three-day conference seeking to shape a path towards Caribbean economic development ended here Friday night with the expected calls for emphasis on all the currently fashionable strategies but underlined the central importance of the human element and democracy to the achievement of sustainable growth. It was the first such broad-based conference held in the region, and the participants agreed that it should be held every three years as the "triennial Caribbean conference of the social partners".

The final statement, with its clear calls for people to be at the centre of development even as the region concentrated on outward-looking strategies, in part reflected the vigorous input of the regional non-government organisations [NGOs] and labour unions at the conference, which also involved governments and regional private sector institutions.

The input of the NGOs was also clear with the force with which emphasis on the preservation of the environment found its way into the final document, even though the original working draft did not deal with the issue. The essential vision is for economies to be led by the market but with governments maintaining the right of strategic intervention.

"We have arrived at very important and fundamental decisions," said conference chairman Trinidad and Tobago Prime Minister Arthur Robinson, stressing the fact that delegates had been able to overcome differences to arrive at a consensus statement. According to Robinson, not only would the outcome help to bolster the leadership of Caribbean "social partners" but its outcome had produced "a document of eternal value to the region and one on which we can build in the future".

His views were shared by the Secretary General of the Caribbean Conference of Churches Rev Allan Kirton, who was one of the leading spokesmen for the NGOs at the conference. "I think there were some positive things about this conference and the fact that it was held at all is in itself a triumph," he said. Belize's Prime Minister

George Price felt that the conference had done its work. "The conclusions and recommendations should take us forward as a people," he said.

The format of the conference with all its work done in plenaries essentially made the final document a consensual strategic outline rather than programmatic and specific. "What we have are a clear set of assumptions about development with which everyone can live—governments, unions, the private sector, NGOs," said Antigua and Barbuda's Trade Minister Hugh Marshall. "It recognises that people, in their whole being, (are) central but that economies must grow if communities are to afford what everybody rightfully wishes and expects," he added.

The document listed four basic pillars on which Caribbean economic development had to be built: human resource development, the preservation and enhancement of democratic traditions and processes, outward-looking development strategies alongside measures to enhance indigenous sources of growth, and the enlargement and deepening of the regional cooperative process.

"Development is for people; therefore, the development of the human resource will be assigned the highest priority in Caribbean development strategies," the statement said. In this regard it called for increased attention for education and training and stressed the need for emphasis on science and technology and management. Of specific importance it called for Caribbean governments to establish a "regional technology alert system" to identify and help utilise available technology in the region.

The document also called for Caribbean governments to allocate of one per cent of their Gross Domestic Product (GDP) over a five-year period to research and development "and to strengthen the linkage between producing enterprises and the indigenous technological capability". The document stressed the importance of both labour unions and businesses to development and underlined their role in helping to encourage savings, investments, training, productivity and the entrepreneural spirit.

For the first time the role of NGOs as important players in the development process was highlighted in a formal way in an official regional document with the recognition that "they can assist in the effective formulation and implementation of development policies" and in some cases as a source of expertise. Kirton said that after this conference it would be difficult in the future for Caribbean governments to ignore NGOs even if their positions were at variance with the dominant views in the society. "We are not enemies like so many political leaders seem to think," Kirton said.

In pointing to the underpinnings of an outward-looking development strategy, the document noted that increased emphasis had to be placed on the production of tradeable goods and services because of their potential to earn foreign exchange. The region must identify opportunities in the service sector bearing in mind global developments, and must design and implement policies, programmes and incentives designed to develop the sector and to promote trade in services," it said. [quotation marks as received] It also called for national savings to be raised to at least 25-30 per cent of national income and that investments be allocated to priority sectors and projects which are "optimally chosen". For this to work, the document made clear, the investment climate had to be improved, domestic financial institutions had be developed and strengthened, fiscal policies conducive to savings implemented and the idea of a Caricom [Caribbean Common Market] stock market pursued.

It also supported the idea of working towards a common currency and pointed to opportunities for mobilising the savings of Caribbean nationals abroad. The long floated idea of a Caricom investment fund to raise equity on the international market found support in the document, which also called for the expansion of the capability of the Caribbean Development Bank to "improve the conditions under which external loans can be accessed". The Caribbean should also take concerted action with the Third World on the issue of debt, it suggested.

Trinidad's Robinson Views Talks

FL0203192591 Bridgetown CANA in English 1755 GMT 2 Mar 91

[Text] Port of Spain, Trinidad, March 2, CANA—A major Caribbean economic conference which ended here Friday was certainly not short on suggestions. Trinidad and Tobago's Prime Minister A.N.R. Robinson and several other regional leaders took the opportunity to say where the Caribbean Community was going wrong and to make recommendations. Robinson said that the Caribbean Community needs to face up to the challenge of costs, when decisions have to be implemented. The chairman of the conference said when costs are involved, the Caribbean tends to "back-back" and said this was a glaring deficiency.

"I do think that it is very serious (implementing decisions) but I think too they face the problem that too often people might react instantaneously and say we want this and we want that.

"But when they see the cost of it, they begin to back-back," Robinson told the Caribbean News Agency at the end of the three-day conference in Trinidad. He suggested that people ought to know the costs as well as objectives of any decisions for the region. Robinson was responding to a statement made by Chairman of the West Indian Commission Sir Shridath Ramphal, who said at the conference that West Indians were frustrated because of the delay in implementing decisions.

"That's the challenge before us now," the twin-island state leader said, "for people to accept the costs of what we all want." He said there was also need for effective mechanisms in carrying out decisions made by the regional leaders. "I am in full agreement with the need to transform the institution to make them (decisions) more

effective, expanding them, and giving them more powers," he said. "If we are to intensify the integration movement and make it more effective, then we need effective instruments," he added.

Vaughn Lewis, general-secretary of the Organisation of Eastern Caribbean States (OECS), told the conference that too many decisions were being made and not implemented. He suggested that mechanisms be put in place to implement the decisions.

The meeting heard that OECS members need coordinated policy reforms to arrest the slowing of sub-regional economic growth after the heady performance of the 1980s. Suggested reforms include trade and industrial strategies for export-led growth, fiscal policies to enhance stability, and monetary arrangements to encourage the development of a capital market.

Lewis outlined the position in Port of Spain Friday, the final day of the first regional economic conference. OECS officials are well aware that action is necesssary, he emphasised. "It is important that the policy reforms be all-inclusive and deliberate because the evidence suggests that reforms that are carried out against an unstable macro-economic background usually make the instability worse," he said.

The seven OECS economies outperformed those in the wider Caribbean Community over the last decade, with average annual growth of about seven per cent from 1985 to 1989. Growth was more moderate in the past two years and, according to Lewis, the situation has been aggravated by the crisis in the Persian Gulf. Lewis said export-led growth strategy should seek to remove barriers to intra-regional trade to encourage competition; to liberalise extra-regional imports to force internal competitiveness; and to abandon quantitative restrictions to help free the markets.

President of the Caribbean Employers' Confederation George Bloom made out a case for a common currency, a regional airline, and the freedom of movement of labour and capital for nationals to take advantage of investment opportunities in the region. He complained of insufficient follow-up action. "To put it simply, we seem to lack the will to take follow-up action, " Bloom told the fourth plenary session of the regional economic conference on Thursday. He said governments brought several excellent reports on issues deferred, especially during an election period. "Surely now is the time for positive action if we are to survive," Bloom said.

William Demas, Trinidad and Tobago's Central Bank governor, appeared to be making another case for regional integration. Demas said with the economic blocs being built up thoughout the world, the region's countries faced the threat of being swallowed up, "if they did not get-together and consider this very serious issue of common objectives and goals". He said that by the end of the century Caribbean Community countries might "want to become a single political union".

"It seems that they want to go beyond the single market stage and become a full political unity," the eminent economist told CANA.

Jamaica To Represent Caricom in Regional Talks

FL0103203791 Bridgetown CANA in English 1748 GMT 1 Mar 91

[Text] Kingston, Jamaica, March 1, CANA—Jamaica has been named by the Caribbean Community (Caricom) [Caribbean Common Market] to represent the group in three developments arising out of this week's meeting of regional leaders in Trinidad. This was stated by Prime Minister Michael Manley on his return home Thursday evening when he reported at a press briefing on his recent visit to Venezuela and Trinidad and Tobago. He described Jamaica's selection to lead talks in these areas as a "statement of confidence in us."

Jamaica, he said, has been appointed by Caricom to represent the region in the Rio Group of Latin American countries which had invited Caricom to participate in that body. Jamaica was also chosen to represent the region in negotiations with Washington on President George Bush's Enterprise for the America's Initiative (EAI). He pointed out however that in terms of bilateral debt relief provisions because of Jamaica's U.S. 750 million debt to the us, Caricom had agreed that Jamaica could go ahead with its own negotiations on this item.

Jamaica was also selected by Caricom to represent it in negotiations for a proposed one-way free trade access to the Venezuelan market. This resulted from a Venezuelan offer to provide duty free access for a range of goods from the region to be decided on while Caricom would continue to impose tariffs on Venezuelan goods.

SCOPE Defends OECS Unity; Cautions Realism

FL0103172691 Bridgetown CANA in English 1341 GMT 1 March 91

[Text] Roseau, Dominica, March 1, CANA—Chairman of the Standing Conference Of Popular Democratic Parties of the Eastern Caribbean (SCOPE), Julian Hunte, says the opposition grouping supports Organisation of Eastern Caribbean States unity, but does not think the move holds all the answers to the sub-region's problems.

"If you are talking about whether we view the whole question of political union as the panacea to all our problems, let me tell you that the answer to that is no," the St. Lucia opposition leader, now in Roseau for SCOPE's coordinating committee meeting, told CANA.

He discounted the impression being given by Windward Islands governments that the opposition parties were playing games in relation to the unity issue. Hunte said while not all their requests were given the kind of attention SCOPE feels they merit, giving legal status to the Regional Constituent Assembly—charged with

advancing the initiative—and other concessions made, paves the way for fuller opposition participation in Windwards unity.

"When we say that we would like to know the pros and cons before any such move is made, we are serious about it because I do not believe we should buy any pig in a poke," the SCOPE chairman said. "We have views which we wish to express on the issue, and we will continue to express those views whether the people who are in government like it or not," Hunte asserted.

SCOPE's coordinating committee was on Friday holding a special meeting here, to discuss matters relating to the Regional Constituent Assembly.

"We view this as an opportunity to determine where we go from here," Hunte said. The grouping was scheduled to hold a public meeting in Roseau this Friday evening, to articulate its position on the unity question, and other matters.

UK Minister for Overseas Development To Visit

FL0203152591 Bridgetown CANA in English 1226 GMT 2 Mar 91

[Text] Bridgetown, Barbados, March 2, CANA—Mrs. Lynda Chalker, British minister of state for foreign and Commonwealth affairs and minister of overseas development, will be paying a six-day visit to the eastern Caribbean from today to Thursday [7 March], the British High Commission here reported. Today she will be calling on the Barbados prime minister and on the foreign minister and attorney general.

"In Grenada on March 5 she will call on the governor general, prime minister and will meet other government minister. She will also visit the site of the new coast guard base at Prickley Bay and the St. George's court complex," the High Commission said.

"In Dominica on March 6 she will call on the president and meet the prime minister and visit a number of British aid projects in the country. On March 7 in St. Vincent she will call on the governor general and the prime minister and will tour the coast guard base and Orange Hill estate."

This is the first time that Mrs. Chalker is visiting these islands.

Haiti

Justice Minister, UN Delegate Visit Prison

FL0203185591 Port-au-Prince L'UNION in French 28 Feb No. 482 pp 1, 8

[Serge Boursiquot report]

[Text] Justice Minister Bayard Vincent and several members of his staff visited the National Penitentiary on 27 February. According to the commander of the National Penitentiary, there are over 780 prisoners in this detention center.

Vincent, who is a lawyer, was accompanied by Mrs. Cesane, an Italian national working at the UN. This visit pertains to a UN aid program for penitentiary reform in Haiti. According to Mrs. Cesane, visits to other penitentiaries have been planned. She said that after presenting her report, she intends to make suggestions to the officials of the UN aid program for penitentiary reform. Concerning justice reforms, Mrs. Cesane said she would like to see them considered on the global level.

As for Justice Minister Bayard Vincent, he said he seeks the support of the government so as to obtain justice through the application of law. It is to be noted that justice is one of the major points of the Aristide/Preval government.

The few prisoners who were seen denounced the way they are treated. Roger Lafontant said that it is very difficult for him to sleep at night because his cell is too small. Serge Beaulieu thinks he is being illegally detained. He said that no warrant was issued against him.

Concerning the rumored escape of accused murderer Marc Antoine Lacroix, who was arrested last year, Lacroix told the press at the National Penitentiary on 27 February that he is patiently waiting for justice to prevail and prove his innocence. Marc Antoine Lacroix was arrested after the Martissant population accused him of killing at least seven children in March 1990.

The National Penitentiary is the largest detention center in the country.

French Military, Financial Missions Expected

FL0103190091 Port-au-Prince Radio Metropole in French 1700 GMT 28 Feb 91

[Text] Two French missions will soon arrive in Haiti. The first mission will be in the country until 2 March and the other between 2 and 7 March.

The first is headed by Major General Jean Vares [name as heard], chief of the Military Mission of Cooperation, under the Ministry of Cooperation and Development. During his stay, General Vares will meet with President Aristide, Prime Minister Preval, the minister of justice, and the commander in chief of the Army, General Abraham, as well as members of the Army High Command. Fire equipment worth 1.4 million francs will be presented to the fire department by the French ambassador to Haiti, Mr. Dufour, during General Vares' visist.

Following the departure of the chief of the French military mission on 2 March, another mission will arrive, headed by Senator Andre Georges Boissin, president of the General Council of Indre et Loire [as heard], and special delegate of the Senate Commission on

Finances, who will observe the progress of Franco-Haitian cooperation. Senator Boissin will confer with President Aristide, the prime minister, and other government members. He will also meet the president of the Haitian National Assembly and will visit some significant projects dependent on French cooperation.

Three Ministers Disclose Financial Problems

FL0203170591 Port-au-Prince Radio Metropole in French 1700 GMT 28 Feb 91

[Text] Three ministers of the new government disclose they have found a disastrous situation within the public administration, according to an article in LE MATIN, which reported some excerpts of a newscast on Radio Haiti which quoted the ministers of commerce, of economy, and of planning. The government has inherited a disastrous situation in public administration.

The minister of commerce, Smarck Michel, said he found 11,000 gourdes [$2,200] in the accounts. The ministry has many debts. Mrs. Marie Michelle Ray, of the Economy and Finance Ministry, reports a budget deficit of 44 million gourdes [$8,800,000]. The situation is serious for everyone. No one knows what can be done. Mrs. Ray points out that the situation is one big headache. Renaud Bernardin, minister of planning, said he found 60,000 gourdes [$12,000] in the accounts. He is pleased to have some excellent experts on his staff. He does not understand, however, how 466,000 gourdes [$93,200] was spent just on fuel costs.

Canadian Company Provides Electric Power Services

FL0203154091 Port-au-Prince Radio Metropole in French 1700 GMT 28 Feb 91

[Excerpts] The Reconstruction of Electrical Energy Company, a corporation whose acronym is Sorelsa, is authorized to operate in Haiti. It will provide services in the reconstruction of the generation network, transport, and distribution of electricity throughout the Republic. Sorelsa is created in agreement with the concession contract that Hydro Quebec International is seeking to conclude with Electricity of Haiti. Meanwhile, the power outages are costing thousands of dollars every day, especially in Port-au-Prince's business community. [passage omitted]

The president of the Republic announced on Wednesday [27 February] that some countries, friends of Haiti, did not keep their promises in cooperating in the improvement of electricity distribution in the country.

Jamaica

Financial Seminar Examines Economy's Deregulation

FL0103202591 Bridgetown CANA in English 1744 GMT 1 Mar 91

[Text] Kingston, Jamaica, March 1, CANA—The Jamaican Government owns or has equity in more than 300 enterprises in the economy, according to a recent survey by the Central Bank of Jamaica. Deputy prime minister and finance minister, P.J. Patterson, who made the disclosure at a financial seminar on Thursday, said that a study is in progress to determine the list of companies and assets which should become a part of the next phase of the privatisation programme.

The one-day seminar "deregulation and the Jamaican economy" was held to examine the process which led to the decision to deregulate the energy and financial sectors, to review the performance of those sectors since their deregulation and to examine the future of the liberalisation process. The government's divestment programme, he said, had so far involved the sale or lease of lands or assets, the sale of government interests in companies, and the contracting out of services.

Defending the govenment's policy, Patterson stressed that the government could not continue to squander tax-payers resources in bailing out loss making public corporations at the expense of investment in health, education, security and infrastructural development. On criticisms that deregulation had resulted in uneven competition in the financial sector, adversely affecting merchant banks, Patterson said that a meeting of bankers and the Central Bank would be called to address some of the concerns.

General manager of the Canadian Imperial Bank of Commerce (CIBC) Joan Panton, who raised the concerns, was also told that while there was no wish to intefere in the operations of the banks, the government had an overall responsibility to ensure that all licensed institutions were able to serve the best interests of their depositors. The finance minister also disclosed that the government was working with the Bankers Association of Jamaica to reduce interest rates which are near 40 per cent.

Efforts Made To Deepen Venezuelan Economic Ties

FL0103211491 Bridgetown CANA in English 2002 GMT 1 Mar 91

[Text] Kingston, Jamaica, March 1, CANA—Jamaica and Venezuela are examining the possibility of establishing non-reciprocal duty free access of Jamaican goods to the Venezuelan market as part of efforts to deepen economic relations. A technical group is being formed by both countries to study the proposal, Prime Minister Michael Manley told a press briefing Thursday evening after returning from a one-day Caricom heads of government meeting in Port of Spain, Trinidad.

Manley paid a one-day state visit to Venezuela last weekend on his way to the Caricom meeting. He said many steps were taken to deepen economic relations and Jamaica will shortly appoint a commissioner to Venezuela to ensure various projects are pursued.

An investment conference between Venezuelan and Jamaican businessmen and private sector leaders has

been planned for May. A team of Venezuelan commercial bankers has been invited to Jamaica to discuss with Jamaican counterparts the financing of projects discussed during the trip. Manley said Venezuelan President Carlos Andres Perez has agreed that a debt swap arrangement could also be initiated as another source of project funding. There were also preliminary discussions about Venezuelan participation in the island's energy sector and alumina production. Both countries have already abolished visa requirements and are now planning to foster closer tourism links, Manley said.

The Jamaican leader, current chairman of Caricom, said regional countries along with Venezuela, and Mexico, to review the San Jose oil accord with beneficiary countries to see how they could strengthen it as a source of investment funds. [sentence as received] Under the accord, a portion of the cost of oil imports from the two Latin countries is converted to concessionary loans for development activities in the buyer countries.

Manley Names Bernal New Ambassador to U.S.

FL0103201791 Bridgetown CANA in English 1719 GMT 1 May 91

[Text] Kingston, Jamaica, March 1, CANA—Economist Dr. Richard Bernal has been named Jamaica's ambassador to the United States, Prime Minister Michael Manley announced Thursday. He will take up his appointment on May 1.

Bernal, general manger of the financially troubled Workers' Savings and Loan Bank is also an economic adviser to the government. He replaces Keith Johnson who retires shortly.

Costa Rica

Foreign Minister on Invitation to Gorbachev

PA0203040591 Mexico City NOTIMEX in Spanish 0055 GMT 2 Mar 91

[Text] San Jose, 1 Mar (NOTIMEX)—Costa Rican Foreign Minister Bernd Niehaus announced today that the Governments of Panama, Honduras, Nicaragua, El Salvador, Guatemala, and Costa Rica have agreed to invite Soviet President Mikhail Gorbachev to visit Central America.

Niehaus said the invitation was made because the perestroyka and glasnost policy carried out by Gorbachev had a positive influence on the Central America peace process.

He indicated that this decision was made by the six presidents of the Central American isthmus during their meeting in Puntarenas, Costa Rica, at the end of last year.

Niehaus told NOTIMEX that the invitation to Gorbachev was made by Nicaraguan President Violeta Barrios de Chamorro, who visited the Soviet Union last month.

"I view the invitation as recognition of the man who has led perestroyka and glasnost for the benefit of mankind. It is recognition of the man who deserves the Nobel Peace Prize," Niehaus added.

The foreign minister said that "Gorbachev had contributed to East-West detente and to the fact that detente was reflected in Central America."

"Perestroyka has already influenced the Central American peace process and also had a positive influence on the democratization process in Nicaragua," he stressed.

"I think the detente begun by Gorbachev could have an influence on the peace processes being undertaken in El Salvador and Guatemala," Niehaus concluded.

El Salvador

Arena Asks UN To Intercede With FMLN

PA0203223491 San Salvador LA PRENSA GRAFICA in Spanish 1 Mar 91 p 35

[Text] Arena [National Republican Alliance] President Dr. Armando Calderon Sol has requested UN mediator Dr. Alvaro de Soto to intercede with the FMLN [Farabundo Marti National Liberation Front] leadership to request that they not hinder the 10 March elections.

The Arena president is awaiting De Soto's reply. De Soto has been informed about FMLN hostilities, which provoked violence and terrorism the last few days.

These actions that have killed and wounded many people have nothing to do with the conflict and are intended, it was said, to hinder the electoral process by frightening helpless citizens.

Dr. Armando Calderon Sol's request to the UN mediator is for the FMLN to halt the violence and allow citizens to freely choose their candidate on 10 March.

Unofficially it has been learned that Dr. Alvaro de Soto has already contacted the FMLN leaders, in reply to Dr. Calderon Sol's request. It is hoped that the FMLN will not persist in its terrorist acts before and during the elections. It has been said that there is a possibility that the FMLN may accept the truce and allow the people to freely express themselves on 10 March.

It was also learned that FMLN members set a garbage disposal truck on fire near the Bolivar Park.

The muncipality condemned the act, saying that this not only harms the mayor's office cleaning services, but also harms the envirionment due to the contamination caused by burning trash in the middle of San Salvador. This not only harms the environment, but children become ill after breathing toxic gases. The municipality hopes that these activites that harm the people in general are halted.

Reportage of Recent FMLN Policy, Operations

Declares Truce 2-6 Mar

PA0103183591 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 1 Mar 91

[Text] Attention, attention, Salvadoran people, Salvadoran media, and social and political groups of the nation: We report that the FMLN [Farabundo Marti National Liberation Front] General Command has declared a truce for national mourning of Dr. Guillermo Manuel Ungo's death. The truce will be effective 2-6 March.

All FMLN offensive actions will be suspended during the truce, but we reserve for ourselves the right to carry out defensive actions in the event that the Military High Command carries out operations in zones under FMLN control.

Details on Mourning Period

PA0103224691 Panama City ACAN in Spanish 1547 GMT 1 Mar 91

[Text] San Salvador, 1 Mar (ACAN-EFE)— El Salvador's guerrillas today announced a three-day [number as received] truce, starting on 2 March, due to the death of Social Democratic leader Guillermo Ungo, who they described as "an irreparable loss for the men and women in El Salvador who are struggling for democracy and freedom."

The Salvadoran Government and Foreign Ministry today published death notices in newspapers expressing their condolences to the Ungo family, recalling that he was a former head of state.

In 1979 Ungo was a member of the civic-military government board that was established following the coup d'etat that toppled General Carlos Humberto Romero.

The truce declared by the Farabundo Marti National Liberation Front's (FMLN) General Command, was broadcast on FMLN radio station "Farabundo Marti," and it stated that all offensive actions will be suspended "except the right to respond" to Army operations in areas under FMLN control.

The FMLN's General Command issued a communique stating its "deep sorrow" over Ungo's death on 28 February in Mexico, the result of a cerebral embolism. The communique states that his death "fills our hearts with grief and reaffirms our pledge to fulfill the democratic ideals to which Guillermo Ungo devoted his entire life."

Ungo, 59, was secretary general of the National Revolutionary Movement (MNR), vice president of the Socialist International, and a candidate to the legislature in the legislative and municipal elections to be held on 10 March.

"The ideals, whose culmination he did not live to see, are still alive, strong, and vigorous in our fatherland, which in this hour has lost one of its most dignified and needed sons," the communique adds.

The document adds that "the FMLN's banners are in mourning, but they are certain that the victorious specter of Guillermo Ungo's ideas, examples, and perseverance will continue to impart strength to the Salvadoran people's struggles for true independence, democracy, and social justice."

In a commentary, the rebel radio station stated that Ungo "solidly defended politically negotiated solutions, to which he devoted his greatest efforts and contributions over the past few decades."

Ungo, who for seven years was president of the Revolutionary Democratic Front (FDR), formed by approximately 30 political, social, professional, and university institutions, decided at the end of 1980 to work politically alongside the FMLN.

Communique on Truce

PA0303220891 San Salvador Radio Cadena Sonora in Spanish 1340 GMT 1 Mar 91

[Text of communique by the Farabundo Marti National Liberation Front (FMLN)—read by announcer]

[Text] FMLN, El Salvador, Central America, official communique:

The Arena government is bent on obstructing the electoral process, which seriously violates the people's right to organize themselves and openly state their ideas.

Opposition activists have been assassinated, and the lives of opposition candidates are being threatened. One newspaper, available to all political positions, was burned during the electoral campaign. The action was then followed by a campaign of intimidation and terrorism.

All this indicates that Arena and the Armed Forces continue to implement the old tricks used by the dictatorship in electoral processes, including electoral fraud.

Furthermore, the elections are being held in an atmosphere of war, and they are not held in all the national territory. Given these conditions, the FMLN does not think that the electoral process is legitimate.

Despite the situation, the FMLN General Command announces the following to the nation and the international community:

1. The FMLN recognizes the efforts exerted by the democratic opposition parties in participating, despite great disadvantages, in the electoral process.

2. As proof of consideration of the opposition parties' efforts and their intentions to improve the possibilities of achieving a negotiated solution to the armed conflict with the electoral results, the FMLN will not carry out offensive military actions; sabotage the electric energy system; carry out activities which might hinder the traffic of persons on the highways; and, in general, carry out any type of action that might preclude the voting activities on 9, 10, and 11 March.

3. The measure does not include the zones under FMLN control, where the government does not operate. The FMLN's military actions will be restricted to the defense of our positions and zones under our control in the national territory.

4. We urge the government's Armed Forces to give up violence and encourage negotiations in order to achieve peace as soon as possible.

[Signed] FMLN General Command,
[Dated] El Salvador, 28 February 1991.

Communique on 1 Mar Action

PA0203220691 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 2 Mar 91

[Bulletin issued by the Chalatenango Group of the Modesto Ramirez Central Front of the National Army for Democracy on 1 March—read by correspondent Carlos Minero in the "combat area"]

[Text] To all our people we report that in the face of intensified repression against the political opposition and various groups in the country and in the face of the retrogression in and attempts to close possibilities for

serious negotiations on the part of Arena and the most hardline groups of the Armed Forces, the Farabundo Marti National Liberation Front (FMLN), in legitimate defense of the people's aspirations, carried out an important operation on 1 March.

At 0205 units of the National Army for Democracy started a forceful operation called "Stop the Armed Forces Repression and Terror Against the People." It consisted of attacks on positions of the Sumpul Battalion, which is headquartered at facilities around the strategic Cerron Grande hydroelectric dam, in Cabanas and Chalatenango Departments.

After three and a half hours of intense fighting, our forces destroyed 25 positions and dislodged the occupants of five others. All of them were fortified with pillboxes and trenches.

The final results of this operation were as follows: 106 casualties, including 28 dead and 78 wounded. A lieutenant is among the wounded. Five soldiers of the Sumpul Battalion at the dam were also taken prisoner, but four of them were freed there because they were wounded.

Our forces also seized a 90-mm cannon and four grenades, two M-60 machine guns, 30 rifles, three military communications radio units, abundant ammunition, equipment, packs, and other materiel.

We also report that as a result of the fighting, a large number of rifles and equipment were destroyed. During the operation three dam transformers were also seriously damaged.

Within the framework of this important military action, on 1 March our forces also attacked the Atlacatl Battalion in Chalatenango Department, inflicting 22 casualties on it. One radio operator was among the 22 casualties. This battalion sustained its casualties in the municipalities of San Jose las Flores, San Isidro Labrador, and Nueva Trinidad.

Our forces also attacked Treasury Police positions in El Refugio. During morning clashes in Potonico, our forces inflicted more than a dozen casualties on Military Detachment No. 1. Here our forces captured another soldier named Raul Antonio Salazar Guillen, a native of [word indistinct], La Libertad Department.

A total of 38 casualties were inflicted on the enemy in actions to support the attack on the Cerron Grande Dam. We must also point out that the High Command and the Arena government have turned the facilities of Cerron Grande Dam into a garrison as part of its warmongering actions.

We remind our audience that the implementation of the operation called "Stop the Armed Forces Repression and Terror Against the People" is a clear message for the radical and warmongering groups in the Army and Arena, because they harbor hopes of achieving a military victory over the FMLN by hardening their positions toward the negotiations.

Finally, we wish to report to all our people that comrades Alcides and Dimas fell while fighting heroically at the 5 November Dam. These comrades were making efforts to clear the pathway leading to the much-dreamed of democracy, for which all Salvadorans are fighting.

[Signed] Leadership of the Chalatenango Group of the Modesto Ramirez Central Front of the National Army of Democracy.
[Dated] 1 March 1991.

FMLN Attacks Dam

PA0103230391 Paris AFP in Spanish 2125 GMT 1 Mar 91

[Text] San Salvador, 1 Mar (AFP)—Rebel sources have stated that the attack launched today by the guerrillas against an important dam in El Salvador could have reportedly caused over 100 Army casualties, including dead and wounded. Meanwhile, military spokesmen announced the death of four soldiers and two rebels in the attack.

According to a war bulletin issued by the Farabundo Marti National Liberation Front (FMLN), the government forces sustained over 100 casualties in the attack on military positions around the Cerron Grande Dam. The attack began at 0500 [1100 GMT] on 1 March. The Cerron Grande Dam is located approximately 50 km northeast of the capital.

The war bulletin issued by the rebels, which did not report any rebel casualties, stated that the maneuver was called "Halt to the repression by Arena and the High Command against the Salvadoran people."

The FMLN said that the guerrillas captured five soldiers, four of whom were later delivered to the civilian population, while one remains detained. In addition, the guerrillas reportedly seized 30 M-16 rifles, two cannons, and two machine guns. They also inflicted unspecified damages on the dam.

According to the FMLN, the government casualties are from Military Detachment No. 1, based in the northern city of Chalatenango, which is responsible for protecting the electric plant.

The rebel report added that the maneuver by the guerrillas included the occupation of five towns in Chalatenango Department, where the insurgents held meetings with local residents to explain to them the situation of the country and the lack of conditions for the 10 March municipal and legislative elections.

The FMLN communique further stated that the military action was in response to Army operations being carried out by elite battallions in areas under guerrilla control.

Meanwhile, the rebels reiterated that they will observe a truce between 2 and 6 March, as a show of mourning for the demise of opposition leader Guillermo Ungo, who died on 28 February in Mexico.

Meanwhile, the Armed Forces Press Committee (Coprefa) reported that, according to its first figures, four soldiers and two guerrilas died, while seven soldiers were injured during the attack on Cerron Grande Dam.

The electricty company also continues to ration services in six-hour intervals in the capital and other areas in the center of the country.

33 Army Casualties Reported

PA0203045491 San Salvador Canal Doce Television in Spanish 0310 GMT 2 Mar 91

[Text] An FMLN [Farabundo Marti National Liberation Front] attack at dawn today against the hydroelectric central [six-second break in reception] left at least 33 casualties among Army ranks and significant damage. The Army's Press Office (?confirmed) the death of 17 soldiers and [words indistinct] during a rebel attack against that [word indistinct]. The death of six guerrillas and an undetermined number of wounded was also reported in this action.

Meanwhile, spokesmen for CEL [Lempa River Hydroelectric Executive Commission] reported that several of the explosives hurled by the insurgents destroyed three transformers and an administrative office causing more than half a million colons in structural damage.

According to CEL, the damage caused by the FMLN will temporarily affect the generation and distribution of electricity nationwide.

Bomb Detonated

PA0203044591 San Salvador Radio Cadena YSKL in Spanish 0243 GMT 2 Mar 91

[Text] Urban guerrilla groups detonated at 1955 an explosive device in the Crece Savings and Loans Bank branch in San Miguel. Official sources have only reported material damage; no casualties have been reported.

Charges U.S. Involvement

PA0403031591 Mexico City NOTIMEX in Spanish 0217 GMT 4 Mar 91

[Text] San Salvador, 3 Mar (NOTIMEX)—The Salvadoran guerrillas charged today that the Salvadoran Army has launched a counterinsurgency operation from Honduras with the participation of U.S. soliders, despite the truce decreed by the rebels.

The Farabundo Marti National Liberation Front (FMLN) stated on the clandestine Radio Venceremos that "U.S. advisers have released to the Salvadoran Army information obtained by spy planes coming from Honduras."

The FMLN urged the U.S. Embassy in El Salvador to "explain if this plan has the approval of the (George) Bush administration" and if Washington considers Radio Venceremos a military objective.

The Armed forces began a vast counterinsurgency operation yesterday in the northern zone of Morazan Department, considered by the FMLN as territory under its control.

The operations in which the Arce Battalion troops and military detachments 3 and 4 are participating, according to the charge, includes air bombings and mortar fire on densely populated regions.

The FMLN called on the national and international media to "keep abreast of the current offensive launched by the Armed Forces, and particularly the bombing against the civilian population."

U.S. Helicopter Located; Rifle, Ammunition Found

PA0203033191 San Salvador EL DIARIO DE HOY in Spanish 1 Mar 91 pp 2, 26

[Text] A rifle and a knapsack with ammunition are among the belongings recovered by rescue groups that are searching Lake Ilopagango for the bodies of the five U.S. military whose helicopter crashed into the water on 25 February.

The weapon, the knapsack, some fuel tanks, and other belongings of the crew members were recovered on 28 Feburary in the area of Cujuapa, in Cojutepeque, by Air Force divers with the assistance of local fishermen.

Military sources said that the rescue workers have located the spot where the aircraft is, tied it to a hook, but do not have the adequate equipment for pulling the aircraft out of the water.

The rescue workers are trying to move the aircraft to a place that is not as deep so that the frogmen's work will be easier. The helicopter has been estimated to be about 80 meters underwater.

The U.S. military advisers who drowned are: Sergeant David Coleman, 29, non-commissioned officers Paul S. Timmer, 26, and Eric D. Funderburg, 21, all of Bravo Company, 4th Battalion of the 288th Aviation Regiment, at the Soto Cano Base of Honduras; Marvin T. Simpson, of the 193d Infantry Brigade in Panama; and Sergeant First Class Juan R. Guerra, one of the 50 U.S. advisers stationed in El Salvador.

The Salvadoran Air Force team has been helped by the fishermen of the area, including a five-year-old child, Edwin Lopez, who accompanied his father.

Although he is very young, the boy is considered a good swimmer and he has cooperated by holding the boats and reaching out for the cables during the operations.

The air force rescue team, led by Colonel Manfredo Koeninsberg, has set up a base of operations on El Pinal beach.

Guatemala

State Denies Recognition for Belize Independence

PA0103174191 Panama City ACAN in Spanish 1527 GMT 1 Mar 91

[Text] Guatemala City, 1 Mar (ACAN - EFE)—The Foreign Ministry announced today that the Guatemalan Government does not recognize the independence of Belize, continues to maintain its claim to that territory, and, "as long as an honorable understanding has not been not reached," will not approve of Prime Minister George Price attending any meetings of Central American presidents.

Foreign Minister Alvaro Arzu told newsmen today that he considers the Honduran Government's decision to recognize Belize to be "a unilateral policy," and one that is not shared by Guatemala.

"For Honduras, Belize will become the sixth [as received] country of Central America, which is not acceptable to this government for as long as an honorable and dignified understanding has not been reached," he stated.

In exchange for recognition of its independence, Guatemala has demanded an outlet to the Atlantic Ocean from Belize. This request has been rejected by the government of that former British colony.

For the Guatemalan Foreign Ministry, the presence of Price at the summit "must be discussed beforehand by all regional government leaders" and indeed, "that topic has not been discussed during any prior meetings."

Guatemalan President Jorge Serrano has recently stated that "his government is realistic and will comply with international law regarding Belize." The territory of Belize, claimed by Guatemala, received its independence from the United Kingdom in 1981.

National Government Unveils Social Pact Proposal

PA0203044791 Guatemala City Domestic Service in Spanish 0159 GMT 2 Mar 91

["Text" of the government proposal creating the Social Pact Commission, read by Secretary General of the Presidency Manuel Eduardo Conde Orellana at the National Palace in Guatemala City—live]

[Text] National Palace, Guatemala, 1 March 1991:

The government of the Republic has a basic policy for promoting the social pact as the proper instrument to create the atmosphere of understanding, confidence, and certainty that the country requires. The pact's objective is to attain economic and social stability as well as to establish the strong foundations that will ensure economic growth within a framework of freedom and social justice.

The current economic, social, and political crisis compels us to give a serious and mature response. Therefore, one should first recognize that the social sectors alone cannot preserve the social [word indistinct], nor can they overcome the causes and effects of the crisis. The social pact should become a civilized instrument in line with the state's democratic development that we are currently experiencing. This, within a pluralistic and paticipative atmosphere, will allow us to respond to the great challenges of the present and future of the fatherland.

Whereas the government is aware of the fact that, notwithstanding with its constitutional authority to adopt pertinent economic and social measures to face the serious problems facing the population, it should promote necessary actions to enrich the democratic process. In doing so, it should adhere to the historical demands of participation by the different sectors of the country; and it should promote the effective, serious, and mature discussion of the main social and economic issues of the country so that Guatemalans can jointly eliminate the causes that bring about inequality. This complicates the tensions and current social and economic conflicts of the Guatemalan society.

It is urgent to reach agreements, via the social pact, on economic and social aspects and to reorganize the state. This should be done taking into account the short-term demands for solutions, without adversely affecting [words indistinct] the medium- and long-term requirements.

In keeping with Articles 1 and 2 of the political constitution of the Republic of Guatemala, the state is forced to protect the person and the family and to take whatever measures are required to fulfill the people's needs and to guarantee the life, freedom, justice, security, peace, and integral development of the individual. Therefore, in compliance with the authority vested upon it by paragraphs A, B, and M of Article 183 of the political constitution of the Republic of Guatemala, the Council of Ministers agrees:

Article 1. Together with the government of the Republic, labor, business, and cooperativist sectors of the country are hereby invited to participate in the study, negotiations, and legalization of the social pact. It will become a vigorous element [words indistinct] the wills of the represented productive sectors regarding the search of solutions to the social problems of the country in order to attain social and economic stability.

Article 2. The social pact commission is hereby created. It will consist of: 10 representatives from the labor

sector; 10 representatives from the business sector; four representatives from the organized cooperatives; and on behalf of the public sectors the ministers of labor and social welfare, economy, finance, agriculture, cattle raising and nutrition, urban and rural development, and the official in charge of the reorganization of the state [comisionado para la racionalizacion del estado]; as well as four representatives of the president of the Republic. In the event of the absence of the ministers, the deputies will participate.

Article 3. The Guatemalan Workers' General Central Organization, CGTG; Guatemalan Confederation for Trade Union Unity, CUSG; National Federation of State Workers Unions, Fenasteg; Federation of Bank Employees Unions, Feseb; and Guatemalan Workers Trade Union, Unsitragua, are invited to call on unions and other nonfederated labor unions to establish the bases and understanding that may lead to designation of the labor sectors' representatives in a democratic and pluralistic way and with the participation of representatives from that sector.

Article 4. The Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations, CACIF, is invited to call on the representatives of the business organizations and association members of the CACIF, to appoint the representatives of that sector in the same manner as described in the previous article.

Article 5. The Guatemalan Confederation of Cooperatives, Confecoop, and the Great Union of Non-Federadas Cooperatives, Guconofe, is invited to convoke representatives of the cooperatives to elect their representatives in the manner described in Article 3.

Article 6. The appointments mentioned in the previous articles must be made as soon as possible and the result of each one of them shall be communicated to the Labor and Social Welfare Ministry on 12 March at the latest. If such appointment is not made, the president of the Republic will assume the corresponding sector's representation.

Article 7. The members of the Social Pact Commission will carry out their duties ad honorem.

Article 8. The Social Pact Commission will be headed and coordinated by the labor and social welfare minister and, in his absence, by other ministers in the order indicated in Article 2 of this agreement.

Article 9. The Labor and Social Welfare Ministry is empowered to supply the material and human resources that the commission may need to carry out its duties and to appoint an executive secretary.

Article 10. The Social Pact Commission will issue its internal rules, establish the topics to be discussed, and its norms for operation within 15 days after its installation.

Article 11. The conclusions reached by the Social Pact Commission shall be presented for the consideration of the president of the Republic within the seven days following the date on which they are approved by consensus so that the president may adopt the measures he may deem necessary.

Article 12. The Social Pact Commission will be installed on 15 March 1991 by the president of the Republic during a special ceremony.

Article 13. This agreement will go into effect on the date of its publication in the official gazette.

Serrano Comments

PA0303013291 Guatemala City Domestic Service in Spanish 0210 GMT 2 Mar 91

[Speech by President Jorge Serrano Elias at the National Palace—live]

[Excerpts] Mr. Vice President of the Republic, members of the Cabinet, Monsignor Apostolic Nuncio, members of the diplomatic corps, Secretaries of State, members of labor organizations, friends of the business organizations, ladies and gentlemen:

I want to thank you for all the efforts that have been made in order to reach this moment. Perhaps today not all Guatemalans will be able to understand fully the scope and reach of the agreement we are signing today. [passage omitted]

During the Cerezo Arevalo administration, the National Reconciliation Commission called for a great national dialogue that provided Guatemalans with vast experience. In that great national dialogue, there was ample discussion by all groups, who in one way or another were interested in solving national problems. That national dialogue provided us with much experience that is constantly being quoted by Guatemalans who have participated in discussing our country's problems and possible solutions.

Later on, when we signed the Oslo Agreement in Norway with the URNG [Guatemalan National Revolutionary Unity], there began in Guatemala a series of talks between various sectors of the country and the URNG. Those talks yielded a product, a useful product: It showed the Guatemalan rebels and the entire world that the democratic forces in the country, who are living for and struggling for democracy, sense that they must uphold their points of view, that they may voice their concerns, that they may struggle to preserve peace and the country's democratic institutions, and above all, that they may struggle to pave the way for freedom and justice.

My dear friends, Guatemalans in general: This pact that we begin today is not just another mechanism, but it is the adequate mechanism for negotiating, for achieving agreements, so that Guatemalans will know that there will not be arbitrary actions in the measures to be adopted, but rather that these measures will be discussed by such important groups as those that have been called.

I want to tell you that the first challenge this great initiative of the social pact has is to reach basic agreements, so that Guatemalans in general will be able to receive a better salary, which will allow them to purchase goods at adequate prices, and above all, which will enable them to obtain in a rational and adequate manner the [words indistinct] that they need for their social and intellectual development.

The government, private sector, labor groups, and cooperatives have a great challenge ahead, and that challenge consists of finding agreements that will allow us to enjoy in a dignified manner the fatherland that God has given us.

I wish to say that the pact is not limited to this topic. If we take into account that this topic, namely, the fiscal one—which includes salaries, prices, and social compensations—is perhaps the most imminent, the one that is closer to us, the one that we, Guatemalans, want to see succeed the most. There is a host of other topics, however, which will receive social attention sometime in the future.

I apologize for failing to acknowledge the presence of the president of the Supreme Court of Justice earlier. When I saw him, I remembered that we, Guatemalans, wish to and want to have decent food and work, and a decent chance to improve their situation. We also want a justice system that fulfills our expectations for a just and equitable society, which we all want.

I believe that the jurists' efforts have been insufficient, but as a society, we have a challenge before us and we cannot dodge it, because we must take on this challenge to bequeath to our children a society that is more just and equitable, a society in which all Guatemalans can live.

On this day we are raising this alert. We call on the all segments of the population to put aside all sectarianism and take on this great challenge that we are placing before them with patriotic spirit to find solutions; to find those solutions that we have longed for for so long without any abuse and arrogance while displaying all the capabilities that we, Guatemalans, have to reach agreements among ourselves.

These solutions were not found in the past and this has been used as justification for some Guatemalans to resort to arms. I do not want more justifications for anyone to take on arms, and this is why my administration reaffirms that it will struggle to bring about social justice. My administration reaffirms that we want to see here all possible expressions of justice and equity. We want to erradicate poverty, and we want each Guatemalan to live in a dignified and decent way.

These are the thoughts that are deep in our hearts. This is the effort that we will place at the service of the fatherland once again, and we believe, with the reconciliation spirit that encourages us to act, that this mechanism that we are promoting today, is an appropriate one. We know that the agreements of this mechanisms must be placed for the consideration of political groups and legislative groups, if necessary.

Those who participate in this pact, and the Guatemalan people, must know that we will be committed and my administration will always be determined to promote all these options to ensure that all Guatemalans are able to live in peace. [passage omitted]

Honduras

Callejas Comments on Resolution of Conflict

PA0203192891 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 1 Mar 91

[Report on interview with President Rafael Leonardo Callejas by Julio Armando Valdez in Jacaliapa, El Paraiso Department, on 28 February—passages within quotation marks are recorded]

[Excerpt] [Passage omitted] [Valdez] Following President Callejas' speech, we interviewed him on several topics, such as the results of the Persian Gulf war and its repercussions:

[Callejas] "It is a positive result for those who are on the side of reason and show respect for international law and the UN mandate. It is clear that no matter what size a country is, it does not have the right to forcibly annex another country's territory. Within this context, we very much regret what has happened to the Iraqi people; however, the UN resolution was clear, and this action has served to consolidate the end of the war on the side of peoples' rights and freedom."

[Valdez] What comes after the allied forces' victory?

[Callejas] "The United Nations first has to finish a complicated process. It must consolidate peace in the area, which is no easy task. There has already been a military solution, and now we need a diplomatic solution that will allow the consolidation of systems and governments, economic recovery, and reconstruction in certain cases. A very complicated period lies ahead, and this will not be simple for the United Nations or the world."

[Valdez] Will there be a negative economic effect, like U.S. Ambassador Cresencio Arcos has said?

[Callejas] "We should only look at the consequences from the positive point of view. I do not believe that we should consider the effects of war as negative, just because foreign aid or oil prices may be affected in the short term. Peace and the new international order that President Bush supports are based on respect for the law. In this regard, I can only see positive consequences for the world."

[Valdez] When Callejas was asked about speculation over fuel prices, the president replied:

[Callejas] "The prices are not a result of speculation, but rather a result of the world's short supply. At the beginning of the war, there was serious speculation at the stock exchange that made oil prices skyrocket to over $40 a barrel. Finally the price stabilized, and it has now dropped to levels below what it was prior to the war, about $27. We see that oil prices are tending to stabilize at that level, and we shall seek the appropiate mechanisms to guarantee supplies—which we already have thanks to the San Jose Pact—and better oil prices for Hondurans in the future. Right now, the most logical step is to grant consumers a price reduction, as I said yesterday, when I spoke of price distortions of the various fuels in Honduras. The reduction in fuel prices should come about in the next few days. The Economy and Commerce Ministry has suggested that this take place immediately after the 11 March OPEC meeting." [passage omitted]

Departs for Spain

PA0203043291 Mexico City NOTIMEX in Spanish 2338 GMT 1 Mar 91

[Text] Tegucigalpa, 1 Mar (NOTIMEX)—Honduran President Rafael Leonardo Callejas traveled to Spain today with several members of his cabinet, a government spokesman announced here.

The source added that President Callejas was accompanied by Armed Forces Commander Luis Alonso Discua, among others.

According to reports published in the local media, the reason for Callejas' visit to Spain is to obtain economic assistance for next year.

Minister Denounces Salvadoran Occupation of Island

PA0103193391 Hamburg DPA in Spanish 1842 GMT 1 Mar 91

[Text] Tegucigalpa, 1 Mar (DPA)—Honduran Foreign Minister Mario Carias has charged that, with their recent actions there, Salvadorans are usurping the island of Meanguera, which is claimed by Honduras.

The Honduran foreign minister said that the installation of a Salvadoran military detachment and the inauguration of electrical service in Meanguera in the Gulf of Fonseca are a provocation to Honduras, because such actions usurp Honduran rights.

Honduras and El Salvador have maintained mainland, island, and sea border differences for over a century. The case is in the hands of the International Court of Justice, in The Hague, which should rule on the territorial claims of these states concerning the areas under dispute.

In addition to claiming the island of Meanguera, under Salvadoran control, the two countries maintain a dispute over the use of Gulf of Fonseca waters and an area of the Pacific Ocean.

Honduras' position is that the island of Meanguera was part of its territory during colonial days and after it became a republic until occupied by the Salvadorans. The Hondurans have never renounced their sovereignty over the island.

Nicaragua

President Chamorro Speaks on Economic Actions

PA0403004291 Managua Domestic Service in Spanish 2034 GMT 3 Mar 91

[Speech by President Violeta Chamorro in Managua—live]

[Text] Dear Nicaraguan brothers: This may certainly be the most important message in the history of my government. Today I will announce a series of actions for which we have all been waiting. These will boost production and generate jobs.

First of all, I want to tell you that I am the one who is at the head of this program and that I am totally committed to its development. I will now describe some aspects of the program in general terms. The formal and detailed explanation of the program, however, will be given today by my ministers.

Fellow citizens: This program is the way out of our problems. It must be implemented by all Nicaraguans who love the fatherland and want it to grow. The current situation cannot continue.

Exactly a year ago, you elected me as president of the Republic in order that I could bring freedom and democracy to Nicaragua. We won the elections. To me this meant that Nicaraguans had to reconcile and forgive each other. We had to stop the war among Nicaraguans [words indistinct] and find solutions to the economic problems that continue to hinder us today.

During the first year of my government, we directed our energy at solving the problems of the war. We tackled disarmament and the problems of integrating the Nicaraguan resistance into civilian life. We had to solve the problems of the war before we could confront the economic problems. The problems of the war have already been solved. We are at peace. Now we have to confront the economic crisis with [words indistinct] that will be of great benefit for all, especially for the poorest people.

We have to solve the economic problems. Let us compare our economic problem to the problem we, the Nicaraguan mothers, confront when we have a sick child. To cure the child we have to give him a very painful shot. The needle will frighten and hurt the child very much, but, even if it hurts him for a little while, we know the injection will cure our child. The sickness of our economy is called inflation, and it has been wrecking the economy of all Nicaraguan homes slowly and for a long time. Inflation has caused wages to dwindle to little or nothing in value and has increased our poverty. The

medicine to cure this sickness consists in a series of actions, one of which is a devaluation. Workers' wages will only regain the purchasing power required to buy the things that are needed in our homes if we eliminate inflation. I am sure this will bring tranquility to your homes.

No one knows this truth better than housewives when we go to the market, because we are shocked to see how fast we run out of money, which costs us so much to earn. Some housewives are even scolded by their husbands, who believe their wives did not spend their money on necessary things, but on unnecessary things. [40-second break in reception] ...we do not want the gold cordoba to experience devaluations.

A third decision made by my government is to prevent the forceful dismissal of government employees. No one should be dismissed for unjustifiable reasons or revenge. To ensure that this decision will be complied with, I am installing direct telephone lines to make sure this decision is carried out.

A fourth decision made my government for the benefit of all is to increase wages to compensate as much as possible for the effects of the devaluations.

A fifth decision, which I am sure will please you all, is to stop, by means of controlling inflation, the unjustifiable increase in prices, especially the prices of certain products that are essential for Nicaraguan homes. Prices should be fair. Merchants should earn a moderate profit and they should do so by selling large quantities. We should be paying the real cost of the products and not altered prices.

A sixth decision made by my government is the social program intended to alleviate the tremendous unrest we have inherited. We will implement a program for the massive creation of jobs, the acronym of which will be FISE, which means Emergency Social Investment Fund, as well as a food program for the elderly, single mothers, and orphans.

A seventh decision made by my government is to have Nicaragua return to the internatinoal financial community so that we can get the necessary credits to grow and improve the living conditions of our people. The international community wants to help us because they see we are determined to solve our problems. My dear friends: During the 14-day tour I just made to Europe and Asia, all the presidents and friends of Nicaragua expressed their concern for the economic situation in Nicaragua. As a woman and hoping to receive aid from those we look upon as our true friends, I really feel they will help us. I feel we Nicaraguans are not alone, and we will soon be able to solve all the problems we have faced over these long years that have gone by. God willing, the aid we will receive from our friends will be beneficial for our country.

As I said, however, all those presidents and friends who have shown their goodwill toward Nicaragua told me that we must solve our problems and improve, that we must bring order to our economy. As we Nicaraguans say: Help yourself, and I will help you.

An eighth decision of my administration is that there be judicial security, that the people feel calm as they work and produce, and that there be order and respect to ensure the fulfillment of the economic decisions that my government is implementing with a constructive spirit with the awareness that these measures are needed for the good of all the people.

Dear brothers, my administration represents the transition from war to peace, which we have already achieved. We will now change economic disaster for the stability and economic growth that we all want. We have already achieved peace, and we also have economic resources promised by countries friendly to Nicaragua. Peace and the resources are two basic ingredients for pushing the country forward.

One third element that would guarantee complete success of this transition, however, is missing: the support of all Nicaraguans. I urge you all that together in unity, as the brothers that we are, we can tackle our common problems, such as inflation and poverty.

A ninth decision of my administration is immediately to establish an office allowing me to communicate with my people that is staffed by people I trust who will keep me informed.

A tenth decision, which is last but not least, is to ratify my commitment of demanding justice for people whose property has been unjustly affected. Only with these actions, which will lead us to bring order to our economy without inflation, will we be able to comply with the following concerted agreements: 1) the generation of jobs; 2) that salaries allow people to buy more items; 3) the granting of credit to farmers, large- and small-scale industrialists, and businessmen.

These actions are the ones we must implement together. With the help of God we will bring them to fruition. This is a Christian people determined to be courageous and stay united during trying times. Let us say no to the temptation of growing desperate and the mermaid's call, because they only bring about violence and death.

I also urge all political parties and groups that influence public opinion to make contributions to help us achieve the future we wish to have, which is the future of all Nicaraguans. I urge all the media to contribute as patriots with their reports to maintain an atmosphere of peace and stability, which we all want so much.

I thank Cardinal Miguel Obando y Bravo, the Bishop's Conference, and all churches. Your wisdom and your moral and Christian guidance have been reflected in your messages. These messages have reminded Nicaraguans that they are courageous in the face of adversities.

I ask you to have faith in my administration and optimism in our future. My commitment to you is to

honor all my promises. You can rest assured that I will be tirelessly working during these six years of my democratic government for my people and for the ideals for which my husband Pedro Joaquin struggled his entire life. Those ideals are reflected in a beautiful passage that reads as follows: Violeta, tell your children that they are my fatherland as are other children such as them for whom we must fight, and at times, even die. Thank you very much.

Lacayo Cited on Economic Readjustment Plan

PA0203195991 Managua Radio Sandino in Spanish 1200 GMT 2 Mar 91

[Text] Presidency Minister Antonio Lacayo is prepared to resign if the government's economic readjustment plan fails. Therefore, his job now depends on the economic adjustment plan that the government is promoting as part of a new phase.

Through Saturday and Sunday the government will be implementing financial measures that have been characterized as shock measures, that is, pounding measures, as we Nicaraguans say. The measures will be applied through a maxidevaluation of the two cordobas: the gold and the old cordobas.

The government will fix a new dollar exchange rate for the gold cordoba and the old cordoba. People close to the government are saying nothing about the new exchange rate, but it is rumored that the new dollar exchange rate for the gold cordoba could be 2:1.

Some believe that the maxidevaluation will be 70 percent. The government's objective is to stop the inflationary process by totally reducing the deficits registered by the Finance Ministry and the banking system in recent years.

Antonio Lacayo said that the Finance Ministry deficit has been checked and that the deficit reduction produced in the banking system in February must be established.

If all this fails, Minister Lacayo's head will roll and he will go back to managing his businesses, according to what he said during a meeting with media directors.

Minister Lacayo said yesterday that the structural adjustment plan does not call for the dismissal of state employees. He also said that any worker wanting to take advantage of occupational relocation programs that envisage the granting of financial support to people wanting to create enterprises can do so.

Lacayo stated that salaries will be partially adjusted, depending on the extent of the devaluation. He said that salary increases will be on the basis of 60 percent of the devaluation and measures on staple prices will complement the salary increases. In other words, the government's plan does not call for salary increases for hospital and customs department workers. All it does is guarantee the workers' jobs.

Lacayo affirmed that the government has enough basic resources to guarantee that there will not be any more devaluations because it has enough foreign cooperation to face the country's most urgent needs.

While Lacayo was saying this, panic hit the commercial business sector, which closed its doors. This is what Casa Telas and other important businesses in the country did when they learned of the announced economic measures that have made everybody wary.

New Exchange Rates Cited

PA0303170991 Managua Radio Noticias in Spanish 1439 GMT 3 Mar 91

[Text] On Friday evening the dollar was being quoted at 7,500,000 cordobas on the black market, but as of yesterday and today, the coyotes [persons dedicated to black market transactions of dollars and cordobas] were offering up to 12 million cordobas for $1. This is a result of media reports of a maxidevaluation to be announced by the government.

In view of the virtual devaluation of the gold cordoba, staples are being hidden and store-owners have removed rice, beans, sugar, and vegetable oil from their shelves, while others decided to close their doors until the government makes the announcement.

In spite of all the confusion, there is much activity in the Oriental Marketplace, where the people are beginning to buy staples to have a reserve in anticipation of a shortage, since the owners of products are looking for ways to protect themselves to avoid going bankrupt as a result of the economic measures.

During a lengthy report last night by Presidency Minister Antonio Lacayo on the economic measures to go into effect today, Lacayo said that the common cordoba will continue circulating at the rate of 6 million cordobas per dollar. The gold cordoba, devaluated to 2 gold cordobas per dollar, will now circulate freely.

Lacayo said that the economic measures call for employment for 25,000 construction workers who are jobless now. Their salaries will be readjusted.

Lacayo also said that it is not true that everything will now cost twice what it cost before because of the economic measures. This is what his theory claims. However, yesterday in Managua's business sector, products were being quoted not only at twice their previous cost, but at prices three times and even four times higher than before. The people wanted to get rid of their old cordobas, and businessmen wanted to collect as many cordobas as possible. We noticed this because we visit the marketplaces every day. We bought some products and noticed this. Most products, it is true, were being sold at twice the previous cost, but some products had been tagged at three times the previous price.

Some coyotes were selling dollars at the rate of 20 million cordobas per dollar, and they bought dollars at the rate of $1 for 15 million cordobas.

Antonio Lacayo said that there will be an occupational conversion plan and implied that no one will be dismissed, that people wanting to take advantage of the plan can do so voluntarily. The purpose of the plan is to eliminate state workers to implement the economic stability program. How can it be implemented? By getting rid of that big burden: the salaried employees.

According to Antonio Lacayo, one of the clauses of the occupational conversion plan establishes that a person taking advantage of this plan would not be able to work again for the state for a four-year period. Those employees will be given $2,000 each so that they can invest that on some little business and be able to live until the end of their days.

Another announcement made last night is that the coyotes will fade away and that the famous Honduran coca-colas, as well as any other product illegally introduced into Nicaragua, will disappear.

Government Communique Quotes New Prices, Wages

PA0403002491 Managua Domestic Service in Spanish 2222 GMT 3 Mar 91

[Communique issued by the government—read by announcer]

[Text] The Nicaraguan Government announces the following to its people:

1. Beginning on 3 March, the old cordoba's exchange rate will be fixed at 5 million per gold cordoba. This exchange rate will be final. There will be no more variations. Based on the above, 10 million cordobas will be two gold cordobas; 5 million cordobas will be one gold cordoba; 1 million cordobas will be 0.20 gold cordoba; 500,000 cordobas will be 0.10 gold cordoba.

2. The old cordobas will continue to circulate until 30 April 91 so that the entire population may have the opportunity to change them for gold cordobas according to the exchange rate mentioned above.

3. The new exchange rate shall be fixed at 5 gold cordobas per dollar.

4. There will be a 200-percent wage increase. The increase will be good for the reclassification of posts in the Health and Education Ministries and for an overall wage increase. Therefore, some will get a 160-percent wage increase. In compliance with the national agreements, employees from the health and education sector will get a 216-percent increase.

We will now list the price of fuels [and commodities]:
Gasoline: 10 gold cordobas per gallon;
Diesel: 6.50 gold cordobas per gallon;
Kerosene: 6.50 gold cordobas per gallon;
10-lb butane gas tank: 10.10 gold cordobas;
100 kilowatts of power: 21.90 gold cordobas;
8,000 gallons of water: 15.45 gold cordobas;
Basic telephone service: 12.50 gold cordobas;
Urban transportation: 0.70 gold cordoba;
Quintal [100 lb] of rice: 105 gold cordobas;
1 lb of rice: 1.05 gold cordobas;
Quintal of beans: 150 gold cordobas;
1 lb of beans: 1.50 gold cordobas;
Quintal of corn: 0.40 gold cordoba [as heard];
Quintal of sugar: 93 gold cordobas;
1 lb of sugar: 0.93 gold cordoba;
Cooking oil container: 74.20 gold cordobas;
Liter of cooking oil: 3.61 gold cordobas;
Box of 48 units of soap: 57.70 gold cordobas;
1 unit of soap: 1.20 gold cordobas;
Quintal of flour: 75 gold cordobas;
1 lb of flour: 0.75 gold cordoba;
Liter of milk: 1.25 gold cordobas;
Box of soda pop: 18.25 gold cordobas;
Unit of soda pop: 0.76 gold cordoba;
Case of beer: 40 gold cordoba;
Unit of beer: 1.67 gold cordobas;
Box of 24 units of Ron Plata [rum]: 84 gold cordobas;
Unit of Ron Plata: 3.50 gold cordobas;
and a pack of (Alas) cigarettes: 0.90 gold cordobas.

The aforementioned prices are fixed. You should report any violation, to telephone no. 66-8001. If you have any doubts, questions, concerns, or comments on the measures that were taken, call telephone no. 66-8001. We repeat. [repeats previous three sentences]

We support the cordoba [vamos al cordoba].

FNT Reacts to Government's Economic Measures

PA0403030691 Hamburg DPA in Spanish 0113 GMT 4 Mar 91

[Text] Nicaragua's National Workers Front (FNT) reacted today to the economic measures put into effect by the government of Violeta Chamorro, indicating that workers' salaries will be reduced by 40 percent and that "the people must not support these measures which are detrimental to the people."

FNT coordinator Lucio Jimenez, in statements made to a local radio station, condemned the measures saying that they will make 70,000 workers lose their jobs because many companies will go bankrupt. "We must fight for the workers' stability."

In relation to the devaluation of the gold cordoba exchange rate to the dollar, which was set at five to one, the union leader said that the dollar is being sold on the streets for 40 million cordobas, also known as "chacheros." This means that the price of the dollar on the black market is eight to one.

Economist Freddy Cruz said that all Nicaraguans have lost 40 percent of their family purchasing power due to the new prices for staple items, and added that "the

measures have no real foundation. The only real thing is that the workers' salaries have deteriorated by 40 percent."

He asserted that the Nicaraguan economy passed through a dollarized period and that now the devaluations will not take place every eight days, but "local currency will continue to depend on the dollar."

FNT Directorate member Lily Soto said that the economic measures will affect the media, "because it will see a reduction in commercial advertisements, and therefore, reductions in the media workers' salaries."

Central Bank Denies Dollar Accounts Being Frozen

PA0103185491 Panama City ACAN in Spanish 1434 GMT 1 Mar 91

[Text] Managua, 1 Mar (ACAN-EFE)—The Central Bank of Nicaragua denied today that dollar bank accounts have been frozen, thus allaying the fears of U.S. currency depositors in this country's financial system.

The official source termed "unfounded" the press reports released Thursday of the freezing of accounts in dollars and the transfer of hard currency resources to the bank vaults.

The Central Bank issued a press release today stating that it has not issued instructions to freeze dollar deposits and is not contemplating doing so "at any time."

"The bank deposits will always be handled with strict responsibility and financial openness," the official note added.

Despite the official denial, the Managua newspaper BARRICADA, which published the previously mentioned report on the freezing of dollars in its Thursday edition, insisted today that clients of that institution have confirmed that their deposits "are currently frozen."

Panama

Endara Opens Legislative Assembly Session

PA0203031091 Panama City Television Network in Spanish 1618 GMT 1 Mar 91

[Speech by Panamanian President Guillermo Endara at the opening session of the Legislative Assembly in Panama City—live]

[Text] [Words indistinct] Legislative Assembly; Mr. President of the Supreme Court of Justice; Messrs. First and Second Vice Presidents of the Republic; Messrs. Ministers of State and Deputy Ministers; honorable Justices of the Supreme Court; Monsignor Marcos McGrath; madam attorney for the administration; honorable legislators; and a greeting to the opposition legislators who decided to withdraw from this forum. I greet them because they and I made the same pledge to the people. Your excellencies of the diplomatic corps; Messrs. heads of autonomous institutions; ladies and gentlemen:

This is my third appearance at this forum to fulfill my constitutional duty to render a report on the administration's affairs. One year ago I stood here before you and recounted the state in which I had received the country and the government. I did so because I thought that it was important to clearly outline the starting point of this titanic effort that we must all share.

On that occasion one year ago, I also established goals, outlined paths, and stated my government's foremost goals. I made an appeal then, I have repeated it over the course of the past 12 months, and I am reiterating it here, today: we must make a joint effort, unite our collective resolve, and share the same ideals and good faith, to accomplish our country's reconstruction.

My responsibilities are important because the steps that I take or fail to take will mark the course that Panama will follow for many years to come. Our national interests and the well-being of all must be my source of guidance because they will bring us together and give meaning to our nation. Private interests or interests that divide us and hurl us in opposite or contradictory directions must not prevail over our national interests. If we all push in different directions we will not make progress. Only the strongest will progress, and the weak and helpless will either remain behind or be dragged along. We will not build a just fatherland that belongs to us all and satisfies us all if we do not start thinking less in terms of I and more in terms of us.

I hope that these thoughts will not have fallen on deaf ears, and I am not referring only to those of us who are gathered here but, in general, to all of the sectors, groups, and individuals who are part of the Panamanian nation. If we do not share the same fundamental ideals, if we do not behave in accordance with those ideals, if our behavior and words are not in keeping with them, we will not build a nation of Panamanians but a tower of babel. Every individual will go his own way, every individual will speak his own language, we will not understand each other, and nothing positive will emerge from such a situation.

The foremost goals set forth by the government alliance, the promises made to the people during the 1989 campaign, the issues we defended when we defended our votes in the streets, the promises I made when I assumed the responsibility of governing under such difficult circumstances, were and are Panama's democratization and its economic recovery. One is a political goal and the other is an economic goal, and their fulfillment will permanently resolve the country's social problems.

Unfortunately, there have been misunderstandings because the government does not have abundant resources to solve all the problems or to do so as fast as it would like. With resources virtually everything is

possible. Without resources everything is immensely difficult. Priorities have to be set without much thought and that can leave a taste of injustice or discouragement regarding what is postponed or omitted. However, decisions must be made.

I believe that the executive branch, the central government, its ministries, and the autonomous organizations, have done a satisfactory job in our first year of government. I am not only referring to the operation and functions of the public institutions, which were literally unheard of in late 1989, but also to the projects done throughout the year and the preparations for the work that will be done this year, next year and in the coming years.

With the vision of our fatherland, we are even clearing a path for the government tasks that must be done by 1994 and thereafter. The state needs resources in order to do these projects. Regardless of how small they are, nothing can be accomplished without resources. Hence, the first priority during 1999 [as heard] would be public finances. That is, we must set our revenues in order and make our expenditures correspond to our income. We cannot attempt to spend what we do not have.

The huge public debt, which is not ours and which we inherited, is an important part of our problem. If we do not pay it responsibly, if we categorically say that we are going to disregard it, nobody in the world will ever lend us money again. If those foreign resources, judiciously invested... [changes thought] without those foreign resources, we cannot develop the country, because our resources by themselves are not enough for all the public investments that we must make. The complicated process of setting our finances in order and updating ourselves with all the government creditors began and was promoted significantly in the year 1990. This year we have begun to see the practical results of the arduous and complicated efforts of last year.

A specific example of that fiscal organization, which fills us with deep pride and satisfaction since it involves the Social Security Fund [CSS], is to be able to announce that in 1990, for the first time, as far as I can remember, the government paid in cash its worker-management quota and the interests and amortization of capital corresponding to the year 1990... [interrupted by applause] of its debt to the CSS. [applause] For the first time in a long time, this obligation was paid, not with bonds or credit notes or other government documents, but with cash, which befits a responsible administration. Furthermore, the national government also paid the CSS an additional 63 million, rescuing state bonds in the hands of the social security, and paying overdue insurance premiums. I will get back to this topic of the CSS later.

Even with the meager resources that we had available last year, we were able to provide maintenance to 40 percent of the roads and highways of the country and we worked on the drainage problem in the city of Panama and Colon. The work of my government can be felt in all corners of the country: On the paths and roads of Puerto Armuelles, San Miguelito, Pacora, Penonome, Churuquita Grande, Santiago, Palenque, Nombre de Dios, and in the construction of roads for exporting products.

Specific steps are being taken to announce a bid for broadening the highway between Arraijan and the Bridge of the Americas in order to end the anguishing traffic jams that cause so many delays for the residents of Western Panama everyday.

The military action in December 1989 left 2,800 families without homes in Chorrillo. The rehabilitation program has begun despite many initial problems, and all the construction plans should be completed by next month. The situation of more than half of the victims has been effectively solved. The suffering withstood by so many fellow citizens will end pretty soon. This project is only one of the many housing programs being implemented by the Housing Ministry, which is still working hard to fulfill the minister's promise to build 100,000 housing units for the 1990-1994 period; and 12,000 housing units have been built in 1990 as part of the plan.

The agrarian and livestock sector fulfilled the 1990 production goals and the official credit institutions contributed $28 million last year and they will have $35 million this year to encourage the sector. Bids have been announced for the construction of the Santa Librada market in San Miguelito; the peripheral market in Puerto Escondido, Colon; and the central agricultural market in Curundu in order to facilitate the sale of the farmers' products.

We certainly strived in the health sector last year. The dengue epidemic which threatened us early in our administration was avoided; the campaign against the Aedes Aegypti mosquito has been recognized at world level as an example; and almost all the children under one—a total of 600,000 babies—were vaccinated against measles. Work has already begun to refurbish the Marcos Robles Hospital in Aguadulce, the Regional Hospital in Azuero, the Nicolas Solano Hospital in La Chorrera, the Amador Guerrero Hospital in Colon, the Gerardino De Leon Hospital in Las Tablas, and the Santo Tomas Hospital and Psychiatric Hospital in Panama City.

Thousands and thousands of latrines and dozens of rural aqueducts were built. The Nata potable water plant was built and the aqueduct systems of Santa Marta in Bugaba; Las Lajas in San Felix; and Ciudad Jardin in Las Mananitas were enlarged. The construction of the potable water plant at Las Cabras River will be completed by mid-year to provide, at last, water for more than 25,000 Panamanians in Pedregal and Tocumen. I will thus fulfill a goal that had worried me. I will fulfill my electoral promise to the people of that region.

The continuous supply of potable water in the eastern sector of Panama Province, Aguadulce, La Pintada, and Alcalde Diaz will be regulated this year. We will thus

solve the grave problem that more than 100,000 inhabitants have been suffering in those sectors.

The 1990 school year was started and completed with great effort. Maintenance work and repairs have been carried out in hundreds of classrooms. Dozens of schools have been equipped. More than 5,000 new scholarships have been granted and previously granted scholarships have been honored. New education loans have been granted and disbursements have been made to cover current loans. Bids have been announced to build schoolrooms and to make repairs at the University of Panama.

Even though physical improvements are important, the work done to reorganize the new education system is equally important, and we have been working on this. We need an education system that fully develops our citizens and encourages their participation in democracy. Such a system will soon be publicized and submitted to a national debate that leads to the adequate legislative actions. That is what democracy is all about: Everyone must actively participate in the search for solutions to our problems and the preparation of plans for our future.

For its part, during 1990, the private sector has shown that it is prepared to respond and support the government effort by making its contribution to the country's economic recovery. Most economic indicators are optimistic. The banking center increased its total assets, deposits, and liquidity. Depositors and members of the system showed evidence of confidence in our government when they made it possible for us to unfreeze formerly restricted savings and time deposits in a normal manner and without trauma to the banking sector or to the economy. Checking accounts, time deposits, and private savings accounts in the banking system showed an increase that demonstrates renewed confidence in the system and in Panama. Trading in the Free Zone reached heights never before achieved in its history: almost $6 billion in merchandise imported and reexported.

The number of tourists and foreign visitors increased. Tourist cruise ships are returning to our ports. There was an increased occupancy rate in first-class hotels. There was an increase in the construction of commercial and residential buildings. Income from construction permits issued in the district of Panama was four times that of the previous year. Exports increased. We exported more bananas, sugar, and cattle. We exported rice for the first time in four years, without subsidizing it. This says a lot for the efficiency of the Panamanian farmer.

Manufacturing production increased, due in large part to the replacement of inventories in the economic sectors. There was an increase in wholesale and retail activities. Land transportation for both cargo and passengers increased. All of these positive results have been welcomed after several consecutive years of negative indicators. They presage a sustained progress in 1991 if we give the country the political stability and social peace necessary to create an adequate climate of trust that will promote the reactivation of the economy and the creation of jobs for Panamanians.

Within 30 days, we will mark the 50th anniversary of the establishment of the social security system in Panama. On 31 March, we will celebrate the golden anniversary of the CSS. On that day in 1941, Law 23 was promulgated with the signature of President Arnulfo Arias Madrid. The law had been approved by the honorable assembly of Panama by 20 yes votes as opposed to one no vote, according to the minutes of the session. However, that final vote, after the third debate, does not really reflect the great opposition that was initially noted in the country regarding the creation of the CSS.

Today, as this significant anniversary approaches, we view the CSS with a mixture of happiness and sorrow. I feel satisfaction, joy, and pride in looking at the visionary work of Dr. Arnulfo Arias Madrid. In his message to the honorable deputies of the time, upon remitting the draft law to them on 7 January 1941, Dr. Arias said, and I quote: This draft law seeks [words indistinct] to establish, according to the modern technical concept of the system, a structure that is indispensable for development in our country, the basic structure of one of the most noble, humane, just, and reputable institutions within social law: social security for the working classes, end of quote.

Without Dr. Arnulfo Arias' vision, tenacity, and firmness, the draft law would not have advanced.

The initial opposition to the deduction of 2.5 percent from the employees' salaries and to the enterprises' contribution of 2.5 percent to the same salaries, came from various sources. The workers' sector, at which the benefits were aimed, was also initially apathetic.

Now, 1 million Panamanians benefit from the CSS one way or another. We have to look up, gratefully, at the statesman who rose above group interests and ignored the blindness and the protests of the short-sighted people to implement his ideas, certain that they were good.

On the other hand, we will commemorate this anniversary with profound sadness, because of the sad and tough situation we are facing. There are indications that the institution that Dr. Arias, making evident his humanistic values and his social awareness, created in 1941, is critically worn down. It is worn down as a result of abuse, improvisations, negligence, and simply speaking, as a result of the vandalism that the CSS has endured in recent decades.

The saddest part of all this is that we refuse to realize the seriousness and the significance of the danger that has been inflicted on the CSS. We want to improvise solutions, as if mathematical facts could be resolved with good wishes and lukewarm measures. I regret to say that casual suggestions, regardless of how good the intentions might be, are not enough. This is a grave problem that affects all of us.

When Dr. Arnulfo Arias presented the CSS and delivered the message I have already mentioned, he said, and I quote: To have justice prevail, the CSS bill I am presenting for your consideration, will look after the interests of the people who would be protected by this law to the extent that this protection is compatible with the institute's methodology, which demands that there be an established ratio between the institute's revenues and the quantity and quality of the services the institute provides. end of quote.

These words of wisdom should be engraved in steel so that we will not forget them. That is the root of the problem. There should always be a ratio between the contributions and the revenues of the CSS with the amount of beneficiaries and amount of services rendered. If we burden it with more weight than it can take, it will sink.

This ratio is not determined by political or humanitarian factors, but it is a direct result of technical and mathematical formulas. That ratio is broken at present. It does not exist. The benefits we squeezed out of the CSS—whether we liked them or not—are not in keeping this ratio with the revenues. If the expenses are higher than the revenues, the CSS not only ceases to save, as it should, but, furthermore, it consumes its own savings from previous years, which is outrageous. As it consumes its savings, it reduces the revenues that those savings produce. This is the best evidence that it is destined to disappear, and that is the root of our sorrow on this 50th anniversary.

Honorable legislators, magistrates, public officials, Panamanian people: In the year 2000 we will be given control of the Panama Canal, but before that the CSS and its system of protection for Panamanian workers will have disappeared. Nothing would make me feel worse if my words became a prophecy. However, I am convinced that we are heading in that direction. We are soon going to be left without a CSS, and that is going to happen sooner than most people think, sooner than those who want to turn their back on reality even suspect.

We have to face up to reality responsibly. The financial reality of the CSS is as follows: In 1990, its income was 427 million balboas, including collection of accounts in arrears which will not be repeated. Expenditures and commitments were 497 million. In 1991, its income will be around 497 million balboas, and expenditures will be 580 million. In just two years, 1990 and 1991, we will have a deficit of over 150 million. Where in the world are we going to obtain the money to cover this deficit? From the Social Security reserve. [repeats] From the Social Security reserve. What are these reserves? They are the CSS's savings. They are its financial security. They are the guarantee of future income that constitutes a highly important source that helps it to pay benefits to all social security members. They are equivalent to the capital of a private enterprise.

Instead of making these savings grow we are consuming them. In two years, 153 million balboas, and if we continue as we have been going, it will be worse in 1992, not to mention 1993, 1994, 1995, until we exhaust the CSS's reserves, the institution loses the income that it receives from the reserves, and it becomes insolvent. We will receive the canal, but we will have no CSS. It is just that simple. Let the person who wants to listen, hear. Let the person who wants to believe it, think about it.

Last year, the CSS administration has had the opportunity to confirm what all Panamanians outside the institution suspected: The bad management and the too liberal granting of benefits has ruptured the harmonious relationship between the income from quotas on the one hand, and the amount, the total benefits, on the other. That harmony can only be restored in one of the following two manners: Either the quotas paid are increased so that they can cover the expenditures and savings for the reserves, or the expenditures must be reduced to the level of the real amount of quotas and other income received. There is no other formula.

Even if this sounds like a very obvious remark, I must point out that with a 100-balboa revenue one cannot spend 150 balboas without having to resort to a loan or consuming what has been saved. Increasing the contributions has a clear disadvantage as it will affect labor costs, and this would have a negative impact on employment and on competitiveness in the foreign market. As it is, the social security contribution is one of the highest in Latin America.

The other alternative is to revise the disbursements, the amounts of services and benefits. The CSS receives contributions from 380,000 people, men and women who contribute monthly from their salaries to cover and guarantee the benefits granted by the CSS. The 380,000 contributors have a total of 700,000 beneficiaries, that is, spouses, children, and relatives, who receive the benefits from the worker. In addition, there are 83,000 people receiving pensions.

To summarize: Today, the contributions of 380,000 people, plus the revenues of the reserves must cover the costs of 1.2 million people protected by the CSS in order for the savings not to be affected. For each active contributor, there are three beneficiaries, including the contributor.

These costs are not being covered today; they are not being covered [repeats himself]. There is a imbalance that increases every month, and it becomes worse every year.

The early retirement program, for example, represents a very onerous task for the CSS. The total quotas paid and the number and amount of social benefits rendered do not balance. Let us take a simple but common example. Let us take a Panamanian worker who starts paying social security quotas at age 25, works for 30 years, and

has a base salary of $225 per month. At age 55, he files for and is granted early retirement. Life expectancy in Panama is 72 years.

This means that this retired worker would receive retirement payments of $162 per month over the remaining 17 years that he is expected to live. Thus, he would receive a total of $33,000. However, how much did he pay in quotas during the 30 years he worked? This worker and his employer would have contributed $40 per month. Half of that, $20, goes to cover medical benefits, which need to be paid. The other $20, the other half, goes to the retirement fund; $20 per month.

This worker would have paid $7,200 in quotas over 30 years. That is, he would receive four times more than he paid in quotas. Four times over what he paid in quotas. [repeats himself] The CSS must cover the balance with the quotas paid by active workers and revenues generated by its own reserves.

There are various examples like that. Figures could vary, but the result is just the same. The average retiree consumes the quotas he paid over his active work years [lo ahorrado por el durante la subida] during the first five years of his retirement. The retirement pension that he would receive from the sixth year and beyond would come from the CSS current revenues. Here we find the system's virtue, but also its Achilles' heel. There is a need to always maintain an strict and delicate balance through the technical and mathematical formulas that characterize the social security business.

This year the CSS will pay a total of $236 million in retirement pension. It pays increasingly more pension each year and will grow to $440 million within 10 years. However, in the year 2000 actuarian studies predict a deficit of nearly $300 million. In that year alone; a $300 million deficit in the year 2000 alone. This will be exclusively attributable to the Panamanian's retirement age and average life expectancy.

In other words, there will be many retirees receiving pensions for a long time as opposed to a low volume of quotas paid and CSS current revenues. If we consume its reserves and, in turn, also decrease the revenues that they generate and increase pension payments at the same time, the result will be no other than the widening of a deficit gap that will destroy the institution.

I do not oppose early retirement nor the retirement system per se. Allowing a person to retire at age 55 is a generous achievement. Retirement age in the United States, Honduras, Costa Rica, Brazil, and Mexico ranges between 60-65 years of age for men and women. In Guatemala, it is 68 for men and 65 for women. These comparisons must be taken into account at the time the necessary sacrifices and adjustments are made.

The integrated health system is another burden for the CSS. This reality that cannot be hidden. The fact that this system benefits uninsured people—despite all the merits that it might have—is not an answer for the social security problem. The burden exists and is a dangerous one. A serious problem was created in an attempt to solve another. Both problems must be resolved. I insist, both problems must be resolved.

In 1990 the CSS budget for the integrated system was $67 million. The CSS finances nearly the entire cost of operating hospitals in David, Chepo, Changuinola, Chitre, Puerto Armuelles, Sona, and Almirante.

The CSS provides free of charge the medications that are provided through the Integrated Health System [SIS]. The SIS, in turn, sells these medications to its patients who are not protected by the CSS and keeps the money. It does not return a single centesimo to the CSS.

Obviously, this system burdens the CSS members with the obligation of providing medical services to the nonmembers, without receiving any compensation. This is another factor to bear in mind when it comes to making a sacrifice. The solution is to find the point of a true functional coordination between the CSS administration and the Health Ministry.

In this manner, the Health Ministry takes care of the patients who are not protected by the Health Ministry, and vice versa, the Health Ministry takes care of the insured patients that the CSS cannot take care of. [sentence as heard] True and efficient compensation must be established for the services that both institutions mutually provide each other. I believe that as an example of the justice we cherish so much in all aspects of our national life, we must mention an integration through a functional, efficient, and equitable coordination.

It is being said that the financial problems of the CSS can be solved by recovering the money that was misused during the dictatorship, particularly in the collective housing program and the special projects, both of which bring back very bad memories. We are striving to recover that money. However, it will not solve the long-range problems of the CSS, because the problem is greater. That money is part of the solution, but not the entire solution.

If we could recover today those millions that were squandered, this would barely, just barely serve to cover part of the deficit of 153 million balboas in operating costs for 1990 and 1991, as I explained earlier. Then, what about an increase in pension payments that calls for 20 million balboas per year, of 200 million in the next 10 years? And how about the cost of the SIS?

I wanted to discuss the CSS crisis because I feel it is my duty. I do not want to witness the elimination of the CSS, particularly on its 50th anniversary. I want to save the CSS and prevent the elimination of an institution that was cherished so much by Dr. Arnulfo Arias Madrid. However, in a democracy, everyone, everyone must contribute to the solution. At present, there is no draft law to this effect, nor has any alternative been adopted.

There are possibilities for solving the problems, but there is a true problem and we must cope with it. Prior to bringing to the legislative assembly any draft solution it will be up to the CSS Board of Directors to analyze the problem thoroughly. In addition, I want to talk to people throughout the Republic.

We are 380,000 CSS members who are contributors, there are 83,000 retired persons, and there are 700,000 beneficiaries. All of us must voice our opinions. All of us must voice our opinions. [repeats himself] The decision belongs to the people today because they supported Dr. Arnulfo Arias in 1941 when he created the institution that is floundering today.

I want input into this system and I want the people to express their opinions. If they do not want to do anything, if they do not want to do anything [repeats himself], then the executive branch will not impose any reforms.

I hope that history repeats itself. Just as the generation of Panamanians of 1941 had the courage and selflessness to accept a few sacrifices to create the CSS, just as the Panamanians of those days supported Dr. Arnulfo Arias in his most glorious deed, I also hope that this generation of Panamanians provide an example of courage and sacrifice to save this institution from sure ruin. [applause]

I insist: It is the people who will decide and I will only be the humble servant of the people. If the people do not want anything to be done to save this worthy institution, then nothing will be done. I am fulfilling a historical duty before Dr. Arnulfo Arias, the people, and my conscience. I want to hear the voice of the people; that is the voice of God. [applause]

We have on our work agenda the issue of constitutional reforms that will provide the legal grounds for a complete and permanent civilian state. If there is one thing that joins all Panamanians—because we all agree on this—it is the strong wish that militarism never exist or rise again. [applause]

We have experienced firsthand, and for much too long, the damage that military power inflicted upon all aspects of our private and national life can cause. We can indeed demilitarize the country in practice by not having an army, by not purchasing any weapons or other such equipment, and by using those resources for hospitals, schools, and housing for the people instead of on bullets and grenades. But the reality of the matter is that the Constitution expresses the nation's basic values. We must raise our civilian way of life to the constitutional level and then make that level an important institution. Not only does this mean the definite removal of all traces of militarism from our Constitution, but it also means including a provision prohibiting the existence of an army. [applause]

This way, the three branches—legislative, executive, and judicial—would be responsible for fulfilling the constitutional laws. Furthermore, all citizens, all citizens [repeats himself] would be constitutionally authorized to oversee the proper enforcement of the prohibition by resorting to the Supreme Court of Justice in its duty as guardian of constitutionality.

I hope that we can all come together to present and process the necessary reforms for the Constitution, without interjecting other issues that, as advisable as they may be, are not as urgent or of equal importance as the prohibition of militarism.

Honorable legislators: Today I have spoken essentially about two general issues. Firstly, some relevant aspects of my administration. These are not promises; they are things that have been done, both completed and in progress. Secondly, I have tried to underscore the two important measures that must be decided upon as soon as possible after consulting with the people: social security and the institutionalization of a civilian society.

There are many other topics on our agenda to be done in the nation. They are included in the reports that each minister and head of an autonomous entity will present to you within the next few days. We will continue working on them.

I would like to reiterate here the essence of our great commitment to the people who elected us.

In the first place, we must build a great and sound fatherland with a vast nationalist feeling always in defense of Panamanian interests.

In the second place, even though the economy has grown, we must make it grow even more. Even though unemployment has decreased, we must make it decrease even more. We must be constantly concerned about the meals being served on the table of the needy ones.

In the third place, the people are shouting for justice throughout all corners of the country. Expeditious justice corresponds to the judicial branch, in other words, that is the branch that must administer justice. However, justice must also be a virtue in the conscience and behavior of all Panamanians in their public and private activities.

In the fourth place, even though no institution made by man is perfect, we have a duty to take care of our democracy and of improving it everyday. We must not distort it or commit abuses to this effect, or forget that democracy also has its rules of behavior. We value freedom and democracy, but not anarchy. [applause]

Today, in this hall we have gathered the public employees who the people have entrusted with the task of rebuilding the fatherland and giving it sense and order. Let us work together, in harmony, always bearing in mind our great commitment to the people who elected us. With our good will and willingness to work and with the help of God, let us guide the nation toward our great destiny. Thank you. [applause]

Argentina

Menem on Nation's Role in New 'Political Order'

PY0103205691 Buenos Aires TELAM in Spanish 1850 GMT 1 Mar 91

[Text] Santa Rosa, La Pampa, 1 Mar (TELAM)—President Carlos Menem said today that a new juridical and political order is being established in the world and that within that context Argentina is one of the founder countries. He added: Despite criticism, I decided to send ships to the Gulf, and we are now going to realize the benefits by actively participating in the new order.

Menem said: Argentina is not an underdeveloped country, but one that has been poorly managed by bad leaders who preceded me. He added: We want to change history and recover our role in the international community.

Menem made these comments after dedicating a road repair project in Santa Rosa. He also reiterated his proposal that the agricultural sector accept four new taxes in exchange for eliminating the withholding of dollars from exports and reducing taxes on raw materials.

Trade Balance With Brazil Shows Surplus

PY0103230491 Buenos Aires TELAM in Spanish 2049 GMT 28 Feb 91

[Summary] Buenos Aires, 28 Feb (TELAM)—The National Statistics and Census Institute has reported that the Argentine- Brazilian trade balance shows that Argentina enjoyed a surplus of $625 million in the first 11 months of 1990. The surplus during the same period in 1989 was only $370.8 million in Argentina's favor. The difference was caused by a 12-percent increase in Argentine exports to Brazil and a 6.2 percent reduction of imports from Brazil.

Bolivia

Former Meza Aide Heads Special Anti-Drug Force

PY2702142091 La Paz Radio Fides in Spanish 1100 GMT 27 Feb 91

[Text] Colonel Faustino Rico Toro was installed last night as commander of the Special Antinarcotics Force. On 17 July 1980, almost 11 years ago—actually 10 and a half years ago—Rico Toro and Luis Arce Gomez were close assistants to Luis Garcia Meza during the coup d'etat and during a time when hundreds of Bolivians were arrested and tortured. Arce Gomez is facing two drug trafficking charges in the United States and is awaiting a court ruling in 25 days. He could be sentenced to up to 30 years' imprisonment.

Arce Gomez and Rico Toro closely cooperated with Garcia Meza. The treatment of Arce Gomez is apparently quite different from that of Rico Toro.

Col. Rico Toro, a strongman in the Garcia Meza administration and a close assistant to former Interior Minister Luis Arce Gomez, who was also commander of the 2d Army Division, has replaced General Lucio Anez Rivera, who will travel to the United States for medical treatment due to his serious condition.

President Defends Rico Toro

PY0103134291 La Paz Radio Fides Network in Spanish 1100 GMT 1 Mar 91

[Text] His Excellency Jaime Paz Zamora, president of the Republic, has pointed out that, considering the positive results so far, the executive branch knows what it is doing as far as the struggle against drug trafficking is concerned. He was referring to the appointment of Colonel Faustino Rico Toro as commander of the Special Antinarcotics Force.

[Begin recording] [Paz] I just want to tell you that you must take into account that Bolivia is implementing a program, the most efficient in the struggle against drug trafficking. Ours is even more efficient than the U.S. program. Therefore, the government knows what it is doing. I want to say this in the name of our own national dignity.

[Reporter] Nevertheless, Mr. President, there has been rejection from various (?sectors)....

[Paz, interrupting] Please listen to what I have just said. [Words indistinct] in the results [words indistinct] in the struggle against drug trafficking. Therefore, we Bolivians know what we are doing, and we have been efficient in this.

I believe that this is what is (?important) at this moment with respect to a series of opinions. Since democracy and liberty prevail, even I can voice an opinion.

[Reporter] [Words indistinct] his engagement with [words indistinct]?

[Paz] The (?noteworthy) results and the president have said that Bolivia is the most effective country in the struggle against drug trafficking, including the United States. The government therefore....

[Reporter, interrupting] Mr. President, has an additional mistake not been made with....?

[Paz, interrupting] Why do you journalists not respect the president? I have voiced an opinion. Well then, listen to it. [end recording]

Sectors Criticize Appointment

PY0103154291 Madrid EFE in Spanish 1929 GMT 28 Feb 91

[Text] La Paz, 28 Feb (EFE)—The surprising appointment of retired Army Colonel Faustino Rico Toro as the highest official in the Bolivia's struggle against drug

trafficking in Bolivia has been rejected in general by those among political and labor union circles.

Rico Toro was Army intelligence chief during General Luis Garcia Meza's military regime (1980-1981), considered one of the harshest in Bolivian political history, and he had links to drug trafficking, according to many accusations.

Lawyer Juan del Granado, prosecutor in the Garcia Meza trial, has told EFE that "this appointment reveals a tragic point of commonality between the current government and the shady Garcia Meza regime, which brings bad memories to the people's minds and which marks a dangerous landmark on the path for democracy."

Yesterday Rico Toro assumed his post as commander of the Special Antinarcotics Force, FELCN, replacing General Lucio Anez Rivera, who resigned the post for health reasons. Anez Rivera headed the military uprising that ousted Garcia Meza, while Rico Toro was chief of the Army Intelligence Department.

Rico Toro "was involved with the ill-fated drug trafficking regime of Garcia Meza," said Freddy Ontiveros, leader of the Bolivian Labor Federation. The labor leader added that the appointment was "unwise," since "the fox is being put in charge of the henhouse."

"The president is free to choose his aides," said Rico Toro, who urged the people "to look to the future and not to the past," in a speech during his installation ceremony.

For five months the new FELCN commander was interior minister during the de facto regime of General Juan Pereda Asbun (June to November 1978).

In 1979 Rico Toro was Armed Forces Inspector General, "a post from which he helped organize Garcia Meza's coup on 17 July 1980," del Granado said.

Ivan Paz, president of the Human Rights Assembly and a victim of Garcia Meza's regime, said that as commander of intelligence and of the Joint Operations Center, Rico Toro "carried out a bloody repression of the Bolivian people."

No formal charges have been made against Rico Toro in the political trial that began in 1985 against Garcia Meza and 56 of his aides, "but there are documents and testimony noting his participation in the repression," del Granado said.

Information Minister Mario Rueda Pena justified the appointment by saying that "Rico Toro held strictly military posts during Garcia Meza's administration, posts that are part of a military man's career."

The now retired colonel proclaimed himself president of the Republic early in 1982 in front of a group of foreign journalists in his office at the Army Military School, while the military leadership was appointing General Guido Vildoso as president of the nation.

Suspension of U.S. Aid Noted

PY0203151691 La Paz Radio Fides in Spanish 1100 GMT 2 Mar 91

[Relay from Sucre by Nataniel Alvarez]

[Excerpt] Interior Minister Guillermo Capobianco yesterday once again defended the appointment of Colonel Faustino Rico Toro as new commander of the Special Antinarcotics Force, adding that the president sovereignly made this decision. He thus hinted that the decision is irreversible. Visibly annoyed at journalists' insistence on the subject, Capobianco gave a long preamble on the transition from dictatorship to democracy and on Bolivia's leading position among the countries that fight drug trafficking. He concluded by saying that we live in a democracy and that the president knows why he designated Rico Toro.

He said that a press report on the suspension of U.S. economic aid to Bolivia because of Rico Toro's appointment is unofficial. He said that if the report turns out to be true, he is sure an agreement can be reached with the United States within hours. [passage omitted]

Pressure on Rico Toro Increases

PY0403161091 Madrid EFE in Spanish 1611 GMT 3 Mar 91

[Text] La Paz, 3 Mar (EFE)—According to the local media, political and military pressure may force the new commander of Bolivia's Special Antinarcotics Force [FELCN] to resign.

Colonel Faustino Rico Toro, on active reserve status, took over as commander of the FELCN on 27 February to replace General Lucio Anez, who resigned "for health reasons," according to official reports. Rico Toro was Army intelligence chief during General Luis Garcia Meza's military regime (1980-81), considered one of the most repressive and brutal in Bolivian history.

The appointment of the new FELCN commander—which, according to government sources, was a personal decision by Bolivian President Jaime Paz Zamora—stirred up widespread protests and prompted the United States to announce that it was suspending economic aid to Bolivia, which was set at $103 million for this year.

According to the local Fides News Agency, a group of active duty military officers has recently come out in favor of Rico Toro's resignation because the criticism directed at him "casts doubt on the effectiveness of his work." The local daily PRESENCIA today reported that commanding military officers on active duty—whom the newspaper does not identify—have stated that the new FELCN commander should cooperate with Paz Zamora's administration by submitting his resignation.

Sources close to the antinarcotics struggle told EFE last night that the political crisis will be resolved by 5 March, at the latest, through Rico Toro's resignation.

President Paz Zamora did not discuss the appointment of Rico Toro with the co-ruling party, the Nationalist Democratic Action (ADN), led by former Bolivian de facto ruler Hugo Banzer.

Unidentified diplomatic sources have told the local newspaper LA RAZON that, after meeting with U.S. Ambassador Robert Gelbard on 1 March, Banzer tried to persuade Paz Zamora to "dismiss Rico Toro as soon as possible."

The same newspaper reported that U.S. Drug Enforcement Administration (DEA) agents "are putting together conclusive evidence of Rico Toro's involvement in drug trafficking activities."

Rico Toro Resigns

PY0403165091 Madrid EFE in Spanish 1557 GMT 4 Mar 91

[Text] La Paz, 4 Mar (EFE)—In view of increasing criticism of his appointment, Colonel Faustino Rico Toro, commander of the Bolivian antinarcotics police, has announced his resignation from the position he had assumed barely five days ago.

"I have resigned and I will formally convey my decision to the president of the nation (Jaime Paz Zamora) because he was the one who entrusted me with the command of the Special Antinarcotics Force (FELCN)," Colonel Rico Toro told a group of journalists last night.

Rico Toro's appointment as FELCN commander was surprising because during the past decade he was involved with General Luis Garcia Meza's regime (1980-81), which foreign organizations have accused of covering up for drug-trafficking gangs. "All the people who have said that I was a drug trafficker will have to prove it," Rico Toro said in response to recent criticism.

Political, union, and congressional leaders and human rights organizations have rejected the colonel's appointment, which caused "unease" in the United States, according to diplomatic sources.

After hearing of Rico Toro's appointment, the U.S. Government decided to suspend the economic aid it had granted to Bolivia for the antidrug struggle.

Political circles were relieved by the colonel's resignation and voiced their hope that "the disbursement of U.S. funds will return to normal."

The local newspaper LA RAZON today reported that "Rico Toro's resignation was agreed on in Santa Cruz, where General Hugo Banzer, top leader of the Nationalist Democratic Action (ADN), had summoned the colonel to convince him." Banzer, a former president of Bolivia and top leader of the co-ruling party, had urged Paz Zamora to ask the colonel to resign after he confirmed with the U.S. Embassy that the economic aid had been suspended, LA RAZON added.

Oscar Eid, top leader of the Movement of the Revolutionary Left (MIR), today said: "I would like to confirm Rico Toro's decision to resign and to report that he intends to seek a total clarification of his situation by appearing before the Chamber of Deputies Committee on Drug Trafficking on 5 March."

Rico Toro served as interior minister under General Juan Pereda's administration (June-November 1978) and as Army intelligence chief following the 17 July 1980 coup d'etat that marked Garcia Meza's advent to power.

Foreign Minister on Plan To Reopen Kuwait Embassy

PY0103144891 La Paz Radio Fides Network in Spanish 1100 GMT 1 Mar 91

[Text] Now that peace has been declared in the Persian Gulf, Bolivia will reopen its embassy in Kuwait. This information was disclosed by Foreign Minister Carlos Iturralde.

[Begin Iturralde recording] I have thought of talking to Mr. (Duei) to see what we will do. I believe that either he or Mr. (Potan) must go there immediately to see the condition of our embassy because, after all, [words indistinct].

In this regard, we must [words indistinct] an embassy there and I am not going to abandon it so easily. In other words, this is simply one of the points that [words indistinct] this matter and right now I am going to call Mr. (Duei) to see how we can coordinate for someone to go [there] immediately because no one actually stayed at the embassy as was also the case with all other embassies in Kuwait. [end recording]

Brazil

Rezek: Government To Restrict Future Weapon Sales

PY0103225691 Madrid EFE in Spanish 1822 GMT 1 Mar 91

[Text] Brasilia, 1 Mar (EFE)—In an interview published today by the newspaper FOLHA DE SAO PAULO, Brazilian Foreign Minister Francisco Rezek has stated that the Brazilian Government will restrict weapons sales and request guarantees that they will be used only for defensive purposes.

Rezek said the executive branch will only authorize the sale of weapons to countries that will not use them to start a war and only when this type of transaction does not dominate bilateral trade relations between the two parties.

Brazil, the United States, and other nations have been criticized for supplying Iraq with weapons over the past

decade, weapons which were then used in the war against Iran (1980-1988) and in the Persian Gulf conflict.

Rezek also said the Brazilian Government is ready to sell weapons to Iran—a country with which trade relations have been reactivated in the past few months—as long as the new restrictions are complied with. He said Iran is planning to invest $12 billion in the next few years in promoting trade with Brazil, and noted that Tehran responsibly meets its commitments.

Rezek also said that nonpreferential commercial ties with Iraq would have the best possibility of being strengthened if President Saddam Husayn was no longer in power. The foreign minister pointed out that Brazilian companies which have had business dealings with Iraq have complained about delays in payment for their services and materials.

The foreign minister criticized Retired General Hugo Piva, whose company built a type of missile for Iraqi troops between 1989 and 1990 and is currently carrying out negotiations with the Iranian Ministry of Military Industrialization. Rezek said: "I cannot understand how a general in the reserves can be involved in a project that so greatly damages Brazilian foreign policy."

Rezek pointed out that neither U.S. President Bush nor Secretary of State James Baker have complained about Brazil's moderate position on the Persian Gulf conflict. He said: "Some U.S. Government sectors, however, would like Brazil to adopt a more decisive position on the crisis. The fact of the matter is that, as foreign minister, I represent Brazilian society, and not the other society."

Brazil is preparing a unit of more than 1,000 soldiers to join a possible UN peacekeeping force in Kuwait.

Armed Forces Discuss Part in Gulf Peace Force

PY0103193091 Sao Paulo FOLHA DE SAO PAULO in Portuguese 27 Feb 91 Second Section p 3

[By Roberto Lopes]

[Text] A secret meeting held yesterday morning at the Armed Forces General Staff (EMFA) building in Brasilia marked the beginning of preparations for Brazil's participation in a possible UN peace force in Kuwait.

The Foreign Ministry (Itamaraty) still does not know whether the United Nations will decide that an expeditionary corps of this kind is necessary. Nonetheless, should one be deemed necessary, the Brazilian Army is preparing to send two or three battalions—between 1,500 and 3,000 soldiers—to participate.

An announcement that Brazil is ready to send troops to Kuwait must be made by President Fernando Collor, who will leave for the United States next month. The mobilization of the Brazilian military chiefs is a result of the government's desire to strengthen the minor role that the country has played so far in the Middle East crisis.

For their part, diplomats can see the military men's clear desire to act. A commentary by journalist Elio Gaspari in the magazine "VEJA" on the inefficiency of the Armed Forces had repercussions this week in Brasilia's civil and military households.

Five generals attended yesterday's meeting: General Gualter Veras, Jr., EMFA strategic affairs chief, who coordinated the work; General Joelcio de Campos Silveira, EMFA deputy chief of operations; General Luis Antonio Rodrigues Mendes, Army Intelligence Center (CIE) chief; Rear Admiral Alberto Annarumma, Navy Staff naval intelligence chief; and Brigadier Alfredo Sobreira, Air Force Intelligence Secretariat chief. Minister [as published] Luis Brum de Almeida e Souza, EMFA special adviser on international affairs, also participated in the meeting.

Itamaraty is cautious. It believes the United Nations may possibly request the formation of a peace force, but it still does not have any clear indication of this—especially since the United States has not given any sign that it is ready to abandon the military initiative. As long as there is combat in Iraq or Kuwait, there can hardly be any conditions for organizing a group aimed at guaranteeing peace.

Brazilian diplomacy has presented the military men with the following Persian Gulf scenarios for the coming weeks: 1. The multinational forces, led by the United States, occupy southern Iraq, establishing their operations command in the city of Basra; 2. The government in Washington announces that it will withdraw its troops only when Iraqi dictator Saddam Husayn abandons power; 3. Kuwaiti Amir Jabir al-Ahmad al-Sabah reassumes leadership of his country's government but is forced to introduce substantial reforms—he dismissed the Kuwaiti Parliament (for the second time) in 1986.

Washington is dissatisfied with Brazil's position on the crisis for two reasons: the government's reluctance to make a declaration clearly condemning Saddam Husayn's policy, and the lack of accurate information on Brazilian-made war materiel exported to the Iraqi Armed Forces.

Foreign Minister Francisco Rezek said he did not see any reason for the alleged discontent in Washington. In fact, Brazil's minor role is a consequence of Itamaraty's desire to preserve some ties with Iraq. Several Brazilian enterprises have interests in that country and many others are expecting some actions by the government to allow them to participate in the reconstruction of Iraq.

Yesterday's meeting was not conclusive. There will probably be another meeting next week in which both military men and diplomats expect to be able to examine the Gulf situation in light of clearer information.

Colombian Guerrillas Kill 3 Soldiers, Wound Nine

PY0203015691 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 1 Mar 91

[Text] A Brazilian Army detachment has been attacked by guerrilla forces near the Colombian border. Three soldiers were killed and nine were wounded.

This information was confirmed by Colonel Ivandro Augusto Pamplona Vaz of the 1st Border Detachment Command of Solimoes. The border guards were attacked on 27 February [date as heard] by 40 guerrillas from the Colombian Revolutionary Armed Forces. The guards had no time to react. The attack was discovered today when new guards arrived at the site of the attack.

The bodies of the three soldiers will be buried in Tabatinga, Amazonas State, tomorrow. The 1st Border Detachment Command of Solimoes will send a Buffalo aircraft and helicopters with two companies to patrol the Serra da Traira region.

Reinforcements Sent to Border

PY0203175891 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 2 Mar 91

[Text] The Army has reinforced the guard on the Colombian-Brazilian border, where a Brazilian detachment was attacked by Colombian guerrillas on 26 February. Today, 240 soldiers were sent to Vila Bittencourt, near Traira River on the Brazilian-Colombian border. The nine soldiers who were wounded in the ambush and the bodies of the three soldiers who were killed will be brought to Tabatinga, Amazonas, today.

The attack by the Colombian Revolutionary Armed Forces surprised the Brazilian soldiers. The guerrillas took weapons, ammunition, food, and radios. The Amazonia military command learned about the attack only yesterday, at the changing of the guard. Correspondent Odilon Coutinho filed this report from Tabatinga:

[Begin recording] The first Buffalo aircraft taking 120 soldiers to the Serra da Traira region left at 0600. The soldiers were dressed in camouflaged fatigues and their faces were blackened. Even though we stood far from the plane at departure time, we could see that in addition to rifles and automatic weapons, several heavy weapons, such as mortars, were loaded on the plane.

The Amazonia military command did not allow us to travel to the region where the clash took place. Another Buffalo aircraft is now taking off. It is carrying another 120-man unit. The plane that will bring the bodies of the dead soldiers and the nine wounded soldiers—five of them in very serious condition—should arrive at any time now. The wounded will be taken to a Manaus hospital.

About 100 people are at the airport waiting for the plane. They are relatives of the soldiers who guarded the Traira detachment. The relatives have not yet received a list of the wounded. Only the names of the three dead soldiers have been released. They are Audemir Lopes de Oliveira, Sidimar Fonseca Moraes, and Sansao Ramos Goncalves. Ramos Goncalves was the only married man. He is survived by three children.

Everything is ready at the Solimoes border command, in Tabatinga, for the burial of the three soldiers with military honors this afternoon. [end recording]

In the first official reaction to the Colombian guerrilla attack, Foreign Minister Francisco Rezek said Brazil will act together with the Colombian Government.

[Begin Rezek recording] There is only one wise attitude; that is, to make it clear to the Colombian Government that the Brazilian Government is willing to cooperate in order to clean up the border, to guarantee the security of the border, and to guarantee that such an action will not happen again. [end recording]

National Congress Approves Measure 295 on Salaries

PY0203023291 Brasilia Domestic Service in Portuguse 2200 GMT 1 Mar 91

[Excerpt] The National Congress today approved the bill converting Provisional Measure 295 into law. This measure froze prices and salaries and established a minimum salary of 17,000 cruzeiros for March. In April and May the minimum salary will be 20,000 cruzeiros, in addition to a bonus of 3,000 cruzeiros. [passage omitted]

Colombia

EPL Claims Leadership Targeted by Reactionaries

PA2802201391 Mexico City NOTIMEX in Spanish 2124 GMT 27 Feb 91

[Text] Bogota, 27 Feb (NOTIMEX)—Guerrillas of the Popular Liberation Army (EPL), who are currently engaged in a demobilization process, today reported the existence of a plan to eliminate their leaders.

The EPL, a Maoist organization, accepted the government's peace proposal 10 months ago and will surrender its weapons on 1 March and be converted into a legal political party.

Two EPL spokesmen, Jaime Fajardo and Dario Mejia, are presently participating in the deliberations of the Constituent Assembly, which was installed in office on 5 February.

According to the EPL, "reactionary sectors plan to eliminate our leaders, including those who are members of the Constituent Assembly."

Fajardo himself has said that, despite security provided by Liberal President Cesar Gaviria's administration, threats against members of the organization have continued.

The EPL leaders have called for a national rally on Friday to denounce the situation and to call for the release of all kidnap victims in Colombia.

Plot To Kill Leader Uncovered

PA0203025991 Bogota Inravision Television Cadena 1 in Spanish 0032 GMT 2 Mar 91

[Text] This is a last-minute report: The national police have confirmed that a plan to murder EPL [Popular Liberation Army] leader Bernardo Gutierrez has been uncovered.

According to the authorities, the Revolutionary Armed Forces of Colombia and a dissident group of the EPL, led by Francisco Carabalio, were going to murder Gutierrez.

President Gaviria was notified today, and he immediately ordered doubled security for Bernardo Gutierrez.

EPL Lays Down Weapons, Rejoins Civilian Life

PA0103194691 Bogota Inravision Television Cadena 1 in Spanish 1742 GMT 1 Mar 91

[Text] More than 2,000 Popular Liberation Army [EPL] guerrillas are at this moment laying down their weapons in six rural areas of Cordoba, Antioquia, Risaralda, Bolivar, and Norte de Santander Departments. This step completes the process of transition of this guerrilla group to civilian life. Now the EPL has its sights set on the Constituent Assembly.

The main ceremony is taking place at this moment at the camp located in Pueblo Nuevo Corregimiento, Antioquia Department, in the presence of Governor Gilberto Echeverri, Deputy Government Minister Andres Gonzalez, and Peace and Security Counselors Rafael Pardo Rueda and Jesus Antonio Bejarano. The same ceremony is simultaneously taking place in camps located in Labores, Antioquia Department; Villa Claret, Risaralda Department; Juan Jose, Cordoba Department; Villa del Rosario, Norte de Santander Department: and Arenas, Bolivar Department.

EPL guerrillas fired their weapons into the air for the last time in Cordoba Department, and they are now laying them down in the presence of international witnesses and government spokesmen. Today, the history of 23 years of armed struggle will be left behind. The 230 guns that have been their companions, which were brought from Europe or stolen from the Army or the National Police, are packed to be taken to Medellin, where on 4 March the big transfer ceremony will take place and where the weapons will be melted down and a monument to peace built.

Everything is ready for the EPL's reentry into civilian life, although Commander Marcos Jara [identified on screen as "Commander Rafael"] said that more guarantees are needed for the Cordoba Department commanders.

[Begin Jara recording] There is fear, but we trust the government and the cattle ranchers. My security is a guarantee, because if anything were to happen to me, then it will happen to all the EPL. [sentence as heard] [end recording]

Meanwhile, here in Juan Jose, the inhabitants are returning to normal life. Over the past few days, the guerrillas have been busy with courses in baking, engine repair, and agriculture taught to them by the SENA [National Apprenticeship Service].

In a few minutes, the EPL fighters will leave for Monteria, where they will make their first political appearance. There, the EPL will become the party for peace, hope, and freedom. [play on words for Spanish acronym EPL—Esperanza, Paz, y la Libertad]

Weapons Smelted; Party Founded

PA0303140691 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 3 Mar 91

[Text] The weapons rounded up in six camps of the Popular Liberation Army [EPL] were smelted today in the furnaces of the Medellin Steel Factory, Inc. [SIMESA]. The EPL has thus definitely became the Hope, Peace, and Liberty Political Movement [Movimiento Politico Esperanza, Paz y Libertad]. Jorge Mario Betancur filmed the following images at SIMESA:

[Begin recording] [Betancur] The weapons of the EPL were smelted today in Medellin, one by one. The fire took care of the rifles and pistols that members of this organization left behind in various points of the country.

[Antioquia Governor Gilberto Echeverry] This reflects the guerrilla commanders' goodwill. This is how we view this. The most important thing about this is the process that has been started.

[Betancur] In Labores, Antioquia Department, the former guerrillas could not hide their sadness. They painfully surrendered their weapons and uniforms. Thousands of Medellin inhabitants and peoples of the region witnessed the reincorporation of EPL combatants into civilian life. Amid applause, speeches, flags, anthems, and hugs the former guerrillas turned over their weapons to Francisco Rojas, the Indian representative in the Constituent Assembly.

Today, as they join political life, these men and women, who not long ago moved about the mountains of Colombians with their rifles on their backs, are convinced that the country's new story is a story of dialogue and not of shooting. The EPL's weapons will no longer be used for war; they will stand as a monument to peace. [end recording]

Unfortunately, however, a bullet went off accidentally while the smelting was taking place, killing SIMESA worker Jorge Lesmes Aguilar. He was an operator of the Medellin Steel Factory who showed up to work today to

turn the EPL weapons into metal to be used to build two monuments in memory of the former guerrilla organization.

Jorge Lesmes Aguilar was 42 years old and had worked at SIMESA for the past 10 years. He was accidentally killed today while making his contribution to peace in the country.

FARC Front Reportedly To Cease Armed Activity

PA0403042691 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 4 Mar 91

[Text] The commanders of the 4th FARC [Revolutionary Armed Forces of Colombia] Front have announced their decision to cease their armed activities and begin peace talks. That is what they told a representative of the Antioquia Governor's Office. Here is a report by Jorge Mario Betancur in Medellin:

[Begin recording] [Betancur] The dialogue with the 4th FARC Front will be held this weekend in the middle Magdalena region of Antioquia at the initiative of Governor Gilberto Echeverri Mejia. The governor sent a representative of his to meet with the commanders of that guerrilla front that operates in the rural region of northeastern Antioquia. Initially, the subversives agreed to engage in a regional dialogue with Governor Echeverri Mejia. While the place and date of the talks are decided the hostilities and military actions in the region will cease.

[Governor's delegate Humberto Giraldo] The governor, in fact, wants to hold a dialogue with all the guerrillas in Antioquia Department. Therefore, it is not only with the rebels of this northeastern region, but of the entire Antioquia Department.

[Betancur] The guerrillas of the 4th FARC Front also promised in the coming days to return two vehicles of the Antioquia Public Works Secretariat, which they have held for several days. [end recording]

The days pass, however, and the dialogue with the government has not begun. The truth is that past experiences have generated much mistrust on the two sides.

ELN Dynamites Stretch of Major Oil Pipeline

PA0403032491 Paris AFP in Spanish 0205 GMT 4 Mar 91

[Text] Bogota, 3 Mar (AFP)—The state-owned Ecopetrol [Colombian Petroleum Enterprise] reported that Colombia's major oil pipeline was the target of a dynamite attack today by the Army of National Liberation (ELN) in the eastern part of the country, which resulted in suspending the pumping of export petroleum.

Ecopetrol President Andres Restrepo said that the spillage was swiftly controlled by company workers, but abstained from quantifying the magnitude of the lose.

At least five meters of the pipeline, which carries oil from the Cano Limon oil fields in Arauca to the terminal in Covenas, on the Caribbean side, were destroyed by an explosive charge planted by guerrillas on km 70, Ecopetrol added.

Jaramillo: 5 Brazilian Soldiers Killed at Border

PA0203194191 Hamburg DPA in Spanish 1841 GMT 2 Mar 91

[Text] Bogota, 2 Mar (DPA)—Foreign Minister Luis Fernando Jaramillo announced today that five Brazilian soldiers died during the attack by a Maoist FARC [Revolutionary Armed Forces of Colombia] column at a point along the Colombian-Brazilian border on 26 February.

According to initial reports from Brasilia, about 40 members of the FARC, the oldest and largest guerrilla group in Colombia, attacked a Brazilian military post in Cerro Traira, killing three soldiers and wounding nine.

Jaramillo said that, according to official reports, five soldiers died and seven were wounded during the attack.

Jaramillo pointed out that FARC guerrillas have crossed the Venezuelan and Ecuadoran borders in the past, which led to the reinforcement of patrols in those areas.

He said that in the next few hours he will telephone Brazilian Foreign Minister Francisco Rezek to discuss the delicate situation and to decide on reinforcing security measures along the long Colombian-Brazilian border.

The attack by the FARC, which increased its military actions in December, took place in the Amazon jungles, 1,100 km southeast of Bogota.

Government Expresses 'Disgust'

PY0303204891 Madrid EFE in English 0325 GMT 3 Mar 91

[Text] Brasilia, March 2 (EFE)—Colombia on Saturday [2 March] informed the Brazilian government of its "profound disgust" at a raid last Tuesday by suspected leftist Colombian rebels on a Brazilian border military outpost in which three soldiers were killed. In a note passed to Brazilian Foreign Minister Francisco Rezek in Brasilia, the Colombian government promised to tighten up border patrols and to request greater cross-border cooperation with the Brazilian military.

The Brazilian Government announced Friday that about 40 members of the Colombian Revolutionary Armed Forces (FARC) had crossed into Brazil to attack a military camp in the Amazon region that straddles the border between the two countries. The FARC column killed three soldiers and wounded nine others before escaping back into Colombia with weapons and munitions.

The Colombian Government, which has refused to confirm whether FARC was responsible for the raid, said similar incidents had occurred along its borders with Venezuela and Ecuador but that increased cross-border cooperation had reduced such attacks.

Government Satisfied With Outcome of War

PA0203174091 Paris AFP in Spanish 0055 GMT 2 Mar 91

[Text] Bogota, 1 Mar (AFP)—Colombia expressed its satisfaction today over the end to the Persian Gulf hostilities and said that it hopes for a rapid cease-fire negotiation and an end to the war.

A Foreign Ministry communique states: "An important precedent has been set, in the sense that the essential principles of peaceful coexistence between the nations, such as those that were violated by Iraq, found a decided rejection by the international community."

The communique warned that it is a task of the utmost importance to establish the rules that will regulate the new world order. It also stressed the need for effective cooperation and a fair distribution of costs and benefits.

Gaviria on Drug Trafficking, Economy

PA0103040791 Bogota EL NUEVO SIGLO in Spanish 24 Feb 91 pp 12, 13

[Interview with President Cesar Gaviria by EL NUEVO SIGLO editor Juan Gabriel Uribe; place and date not given]

[Excerpts] [Uribe] The promotion of judicial actions as the framework for facing the drug trafficking problem has had positive results, judging by the surrender of the Ochoa brothers. How far is the government going to go with this policy?

[Gaviria] It has been demonstrated that the policy calling for criminals to surrender to justice has been a very good alternative for treating a notoriously serious problem in the country, because it demands the surrender of criminals as well as confession of their crimes. In this way culprits may benefit from penalty reductions and the nonextradition status, and this facilitates the imposition of penalties and expands the possibilities of bringing to justice not only the people you have mentioned but also many others who are dedicated to the same activity and others who belong to the self- styled, self-defense groups. This is the objective that is being accomplished, the goal we want to reach.

[Uribe] If that policy has been designed to confront narco-terrorism, what is the government's plan for confronting drug trafficking?

[Gaviria] Narcotics-producing countries, as well as narcotics-consuming countries, recognize now the international dimension of the drug trafficking problem. This means that we must accept the fact that, without a global strategy, in cooperation at the international forums, it will be impossible to eliminate such a profitable business or stop the scourges it produces. The policy of subjecting drug traffickers to justice is aimed, not only at fighting narco-terrorism, but also at fighting drug trafficking at the same time that it promotes the surrender, confession, and sentencing of the persons who have promoted this activity in the country. It does not eliminate police activities which lead to the capture of those who persist in these illegal activities, to the dismantling of the drug trafficking organization, and to cutting the flow of profits. This is proven by the fact that, over the first six weeks of the year, the authorities controlling this activity captured over 11 tons of cocaine in the country. This is a record amount and it represents one-fourth of the total amount seized in 1990.

Position Before Washington

[Uribe] Now that you are leaving for the United States, is it true that the United States is pressuring the Colombian Government for that judicial policy?

[Gaviria] The policy of subjecting drug traffickers to justice was created by the national government in an autonomous and sovereign manner. The U.S. authorities, through President Bush, as well as many Colombian and U.S. communication and opinion media have admitted this fact. The invitation to visit the United States will allow us to reach agreements regarding a number of mechanisms to advance mutual cooperation in investigations. This represents valuable support and recognition of the efforts carried out by our government in seeking an adequate solution in accordance to our circumstances.

[Uribe] What is the government's opinion regarding the fact that the topic of extradition has gotten to the Constituent Assembly?

[Gaviria] The government has repeatedly stated that it does not believe that extradition is a topic for the Constituent Assembly. That is why it was not included in the reform project presented to the Constituent Assembly. Extradition is a legal affair which should be solved legally.

[Uribe] The country is in the midst of an institutional shakeup and an economic belt-tightening. Is this belt-tightening not hurting the country too much?

[Gaviria] I believe that parallel to the institutional shakeup first promoted by the government, and then developed by Congress and later on by the Constituent Assembly, we have likewise carried out a deep economic shakeup. With the cooperation of Congress in the last legislative period, the government achieved the approval of a package of unprecedented economic reforms. These new laws—the exchange rate reform, the foreign trade reform, the labor reform, the tax reform, and the financial reform—in addition to the other economic and social changes, are the instruments that will allow us to

build a new model for development, that is, the internationalization and modernization of our economy.

This package of reforms seeks to change our old model of development, which is protectionist and closed and has not been capable of meeting the levels of well-being and employment that the Colombians currently need, much less what they will need in the future.

These structural reforms have been accompanied by a responsible economic policy. There cannot be economic liberalization, national well-being, or social progress if we keep inflation at the levels we had last year. Inflation is pounding on the poorest most of all. Therefore, the struggle against inflation is necessary in order to make feasible economic liberalization and the social transformation to which we are committed. So far, no one has discovered a formula for lowering inflation that does not entail sacrifices, austerity, and discipline for the government, and above all, for society. [passage omitted]

[Uribe] Now that the new Ministry of Foreign Trade has been created, Proexpo [Exports Promotion Fund] has been empowered as a bank, and the creation of a New Economic Deputy Ministry has been authorized for the Foreign Ministry, will all of this create more of an economic bureaucracy than an economic diplomacy?

[Gaviria] These reforms do not seek to create an economic diplomacy, but to give foreign trade the autonomy and importance within the new governmental policy of internationalizing the economy that this matter requires. We are not creating new posts, but new institutions and responsibilities.

An ample and deep modification of our development model cannot be done with the institutions of the past. Besides, we are solving the problems we had in the past in foreign trade affairs in order to make it more coherent and effective. [passage omitted]

[Uribe] Mr. President: How far or how close do you think we are from achieving peace?

[Gaviria] I understand why the people of Colombia become desperate at times, because peace seems so distant. Decades upon decades of violence, however, cannot be solved in a few months. The obstacles that we have necessarily encountered, and which we might continue to encounter, must not confuse us or make us lose our goal.

We have been gaining valuable terrain: Four guerrilla groups have rejoined or are in the process of rejoining civilian life in a process in which nearly 3,000 guerrillas have abandoned their arms. As for drug trafficking, a considerable number of persons—both in numbers as well as category—have turned themselves over to the authorities under the provisions in the decrees of state of siege issued in the last few months. Therefore, we must insist on those policies that are giving evidence of their benefits, making them adequate if necessary in order to make them more effective. If we do this, I am sure we will defeat violence.

[Uribe] The government is willing to hold talks with the guerrillas abroad. Why not in Colombia?

[Gaviria] A dialogue abroad is something that the government has suggested, because it might contribute to clearing the way for talks leading to an effective end of hostilities. The national government is not willing to ban the presence of security forces anywhere on the national territory, because that would be unacceptable, especially if we take into account that there is no clear evidence that these groups have suspended their terrorist escalation. A dialogue abroad would create a more appropriate atmosphere, one without pressure, one that could lead to solid and lasting agreements on our path toward achieving peace. Once we agree on what procedures will be followed, based on the principles that guide the government's peace policy, the dialogue could be continued at home or abroad.

[Uribe] Guerrilla groups such as FARC and the ELN are larger and stronger than the M-19 and EPL. What will the government propose for reincorporating members of these fronts and for averting the emergence of common crime centers in the future?

[Gaviria] The problem of guerrilla violence cannot be simply viewed from a size or power standpoint. We must remember that despite the progress achieved with groups such as M-19, the PRT, Quintan Lame, and the EPL, using certain instruments and mechanisms for their reincorporation, in the case of FARC and the ELN we might have to take certain particular aspects into account when the time comes to explore the pathways to reconciliation. We hope to do this to prevent in the future, among other things, the permanence of common crime centers which could perpetuate the practice of sending threatening notes and collecting protection money, kidnappings, and extortion.

[Uribe] With the disarmament of FARC and its reincorporation into civilian life, can we expect the government to appoint one of its commanders to head a ministry?

[Gaviria] The government has not and will not make any such offer to FARC or any armed rebel group that could be construed as a counterproposal [contraprestacion] or gift. The appointment of ministers is an exclusive power of the president, who follows constitutional guideliness to do so. The appointment of an AD-M-19 [19 April Movement Democratic Alliance] member to the cabinet was the result not of negotiations or a counterproposal, but a political action determined by those who voted on 27 May.

[Uribe] There is a theory that your style of government could be defined as that of the "carrot and the stick," to cite an Anglo-Saxon expression. Others claim that your style calls for "taking hold of each case by the horns." How would you define your own style?

[Gaviria] Despite those forever simplistic definitions, Colombians know well what my style is; mine reflects the principles of my policy. I believe that this government reflects Colombian society when its offers to be generous to those who abandon violent ways. At the same time, however, it is determined to apply the full force of the law to those who operate outside its framework. This policy seeks to achieve the great objectives of reconciliation and peace. There are no weaknesses or doubts: We can afford to be generous precisely because we are strong.

Ecuador

Foreign Minister 'Pleased' With Gulf Cease-Fire

PA0203004091 Quito Radio Quito in Spanish 2300 GMT 28 Feb 91

[Text] Diego Cordovez, Ecuadoran foreign affairs minister, has told the press in Guayaquil that the government is very pleased to see the end of the Persian Gulf war. The minister reminded the press about the executive branch's position on the Gulf problem and said that it had deplored the military action and suggested that a diplomatic solution be found.

[Begin Cordovez recording, in progress] ...our government is pleased about the end of hostilities in the Gulf. You know that the Ecuadoran position in this sense... in this problem... was very clear: We deplored—and that was the word that we used—the fact that a diplomatic solution to the conflict was not reached. When the fighting began we hoped that it would not last very long, so as to avoid too much bloodshed.

We, at the Security Council, have supported all of the efforts made there; we have, in fact, made efforts ourselves. I traveled to New York to promote a meeting of the Security Council, which had not met since 29 January, when it approved Resolution No. 678. Two months had passed since the beginning of military hostilities and the Council had not met, so I went and promoted that meeting. That led to at least a discussion [words indistinct] about the possibility of ending the hostilities. Obviously, an end based on principles that, as the president said yesterday, have special historic, legal, and ethical importance to the Ecuadoreans.

During the last 48 hours we backed the efforts made by the Soviets to reach a cease-fire. We thought it was essential to reach a cease-fire, but we believed it was equally important that the cease-fire be in accordance with the resolutions approved by the Security Council.

We shared the frustration felt by the Soviet delegation when the president of Iraq refused to accept the Council's resolutions. He accepted one, which was important, then two more; but unfortunately... [changes thought] despite the efforts made by the Soviet Union in Baghdad itself. President Saddam Husayn finally accepted the resolutions once the hostilities had stopped.

What seems most important to me at this time—and this will be the instructions that we will send to our UN representatives—is that besides addressing all aspects pertaining to the suspension of hostilities—and I believe that from the humanitarian standpoint, which also worries us and I voiced this concern to the UN secretary general in New York—issues such as the immediate exchange of prisoners should also be addressed. I believe that this (?is very good). Our obligation at this time as members of the international community is to promote a comprehensive solution to the Middle East problem.

Paraguay

Foreign Ministry Communique Hails Cease-Fire

PY0103142091 Asuncion ABC COLOR in Spanish 1 Mar 91 p 10

[Excerpt] In keeping with its peaceful tradition and in line with other countries of the world which have expressed their satisfaction over the end of the terrible 42-day war between the Iraqi Army and the multinational forces headed by the United States, Paraguay has also taken a stance on this recent event. The Paraguayan position is voiced through an official communique.

"The Paraguayan Foreign Ministry expresses the satisfaction of the national government regarding the cease-fire in the Persian Gulf and the liberation of Kuwait," states the document released by the Foreign Ministry last night.

The communique adds: "The Paraguayan Government confirms its support for all the UN Security Council resolutions on the conflict which provide for the restoration of Kuwait's sovereignty and territorial integrity."

Finally, the national government "expresses its conviction that, within the UN and in keeping with the UN Charter and the principles of international law, a fair and lasting peace will be achieved in the region." [passage omitted]

Rodriguez Downplays New Human Rights Report

PY0103160691 Asuncion ABC COLOR in Spanish 1 Mar 91 p 3

[Text] Caaguazu—"The news is sometimes exaggerated," the president said when asked about an "Americas Watch" report stating that some human rights are still violated in Paraguay.

"Above all, I would like to tell those people who think we are committing some abuses and that we are not respecting all our human rights commitments that not everyone respects the basic laws in this country."

Rodriguez said that the law comes first, and whoever does not obey the law must be punished in accordance with the law. "We are obligated to respect the law and the national constitution," he added.

The president then said that if the law is not respected, there will be no respect among the people and in that case, the country would experience total chaos. He said that current Paraguayan reality in the field of human rights is very different from that of the former regime.

President Deems Concern Over Debt Unnecessary

PY0103182091 Asuncion ABC COLOR in Spanish 1 Mar 91 p 2

[Nestor Desiderio Escobar Franco and Pedro Mendez report]

[Text] Caaguazu—President Andres Rodriguez has sharply rejected any misgivings about the negotiations on our foreign debt. The president was asked about this issue yesterday following a Colorado Party [ANR] Executive Board resolution exorting the government to handle the problem with clarity which was proposed by ANR acting president, Luis Maria Argana. "Everybody speaks about the foreign debt but I assure you that no one is really concerned about payments," the president said. "It is all blah, blah [bla, bla]. Forgive me for being so crass but it is all just blah, blah," Rodriguez repeated.

The ANR decided "to exhort the government to handle the issue of the foreign debt with utmost clarity and to release all relevant information through the media."

President Rodriguez said on the matter: "I can assure you that no one has ever really cared about the problem." The president then added: "The new economic team will be in charge of the debt renegotiation."

Rodriguez recalled that he has often asked people "to talk less and do more. I am sure that those who talk about the foreign debt the most are the ones least interested in paying it."

The president said: "They think we will hide something when paying the foreign debt; no way."

The president said that all steps in that direction will be completely clear and that "negotiations will be crystal clear."

"How can anyone think that we will propose any dirty deal to the nations that have given us credits because they trusted us?" Rodriguez wondered, and he added: "How can anyone think something like that, unless he himself is ill-intentioned."

In arguing on behalf of his proposal Luis Maria Argana said on 27 February that in a democracy the people have the right to be informed about the handling of public money and that at this time the information that reaches the population is distorted for lack of factual official reports. Argana said that it is a government duty to be absolutely clear about such negotiations to safegurd its own prestige and credibility.

Deadline for Registering Candidates Extended

PY0103144291 Asuncion ABC COLOR in Spanish 1 Mar 91 p 15

[Excerpt] Yesterday Congress approved an executive branch bill modifying Article 160, Item 1, of the Electoral Code thus extending the deadline for registering mayoral candidates. According to the amendment, candidates will be able to register until 26 April; that is, until 30 days before the municipal election.

The Senate approved the bill in the afternoon while the Chamber of Deputies approved it during the morning. All Colorado Party deputies plus one PRF [Febrerista Revolutionary Party] deputy participated in the Chamber of Deputies session. No opposition member participated in the Senate session. The Colorado Party has 22 senators, and the opposition has 12 (11 from the PLRA [Authentic Radical Liberal Party] and one from the PRF).

The Colorado Party legislators amended the Electoral Code section on registration of municipal candidates in record time. The first law approved this year will now go to the executive branch for promulgation. [passage omitted]

Correction to Rodriguez' Summoning of Congress

PY2702144491

The following correction pertains to the item headlined "Congress Summoned To Debate Election Deadline," published in the 27 February Latin America DAILY REPORT, page 41.

Column two, second paragraph, only sentence, make read: ...Party, which on 19 February asked the president.... (correcting month)

Peru

Presidential Aide Resigns Over Bill Modification

PY0303233691 Madrid EFE in Spanish 1945 GMT 3 Mar 91

[Text] Lima, 3 Mar (EFE)—The Lima newspaper EL EXPRESO today reported that Hernando de Soto, one of Peruvian President Alberto Fujimori's main aides, decided to resign from his post when a draft bill he proposed for the democratization of government decisions was modified. De Soto told EL EXPRESO that he decided not to continue counseling President Fujimori because the draft bill that was published was not the same as that proposed by the Institute of Liberty and Democracy (ILD), which he heads.

De Soto's influence on Peruvian Government decisions in the past few months has been noted by the local press and political commentators who even consider him "the power behind the throne."

The original ILD draft bill on democratization proposed that every government decision be approved by the people and that government decisions be announced publicly so they could be corrected, expanded, or modified by the different national institutions before they were approved.

"This draft bill does not imply any democratization," said De Soto about the draft bill that was published on 2 March in the official bulletin EL PERUANO and which De Soto considers Prime Minister Carlos Torres y Torres Lara's "personal draft bill."

The draft bill, which is the result of an agreement between the government and the ILD, was announced on 26 February by Fujimori in a message to the nation over a television and radio network. During his speech, Fujimori criticized those who might oppose the draft bill as favoring "an illusory democracy."

The draft bill was denounced by congressmen from several parties as unconstitutional because the Peruvian Constitution does not foresee this type of consultation and because it interferes in the work of the executive branch.

Hernando de Soto told EL EXPRESO: "We will face the government if necessary to defend the people's right to participate in decisions." Last year, Fujimori appointed De Soto as the negotiator for a drug trafficking agreement between Peru and the United States. This agreement will be signed soon, according to statements by U.S. Ambassador Anthony Quainton on 23 February.

Attorney General Sworn In; Targets Drug Market

PY0203163491 Lima Radio Nacional del Peru Pachacutec Network in Spanish 1200 GMT 2 Mar 91

[Excerpts] President Alberto Fujimori has sworn in Pedro Mendez Jurado as the new attorney general. The ceremony took place at the Golden Hall of Government Palace. [passage omitted]

The new attorney general told the press that he will tenaciously fight subversion and drug trafficking and he asked the population to cooperate.

[Begin Mendez recording, in progress] ...greetings to the national media, my friends at the lawyers association, and to all Peruvians without exception.

We have drafted plans and programs that we will try to implement. One of these programs is an administrative streamlining of the attorney general's office. The program affects public employees working with prosecutors and prosecutors themselves. Our organizational and institutional policy will specifically address the work of our prosecutors and their support personnel throughout the country.

We will place an emphasis on moralizing the prosecutor's function. This is what the people want, and what President Fujimori and the Supreme Court chief justice want. Fortunately, most prosecutors are still above corruption, but there are elements and circumstances that need to be moralized.

The moralization must begin in the attorney general's office and extend to all other departments. For this to be possible, we will have to launch a permanent training campaign for prosecutors; this is very necessary. As for our responsibility to the community, we will abide by the Constitution and the laws because the people have entrusted us with the responsibility of defending the law, a very difficult and very important task.

We are the defenders of people's rights, a very difficult task. We are the people's defenders from the first minute a crime is committed. This is not our only function. We have to work with the police, the judicial branch, and all sectors involved in fighting crime.

We want to put all our energies into fighting drug trafficking and terrorism. My plans are ambitious. All of us have to cooperate in fighting these illegal activities because the general attorney's office, the judicial branch, and the Armed Forces and police are not the only ones affected. This is a task that also involves you, Mr. reporter, and all those who love the fatherland. [end recording]

Prime Minister Views Desire for Financial Aid

PY0103123891 Madrid EFE in Spanish 1958 GMT 28 Feb 91

[Text] Lima, 28 Feb (EFE)—Peruvian Prime Minister Carlos Torres y Torres Lara said today that the Peruvian willingness to pay the foreign debt can run out if the country continues not receiving financial aid from international organizations.

During a meeting with foreign reporters Torres asked: "How much longer are we going to continue paying without receiving reasonable and humane aid?"

Torres said that after the break with the international financial system under the administration of President Alan Garcia, President Alberto Fujimori's new government is determined to pay the debt "up to the point allowed by economic and social conditions."

Torres defined Peru as "a country difficult to govern" due to "gigantic problems" with political and drug trafficking violence, "without adequate control," and beat down by poverty.

He said: "We want to continue paying but it is important for our creditors to understand that any effort has a limit, that the effort frequently does not depend on the will of people but on the country's social and economic conditions."

"You are personal witnesses to the poverty in Peru. It is not just words. Hunger corrodes society," said Torres, a 48-year-old lawyer who is a specialist in cooperatives

and who is also the foreign minister in the second cabinet of President Alberto Fujimori.

Torres, who was installed as prime minister 13 days ago, indicated that his government does not have a timetable for suspending payment but he added that "obviously" Peru can no longer continue paying without any financial aid.

President Fujimori, who was inaugurated on 28 July 1990, assigned "first priority" to an international campaign aimed at achieving reconciliation between his country and the international organizations to get new credits.

The IMF, the World Bank, and the IDB [Inter-American Development Bank] to which Peru owes some $3.7 billion—with 60 percent of the payments already overdue—put as a first condition that Peru pay $800 million of the debt.

The three organizations viewed "with sympathy" Peru's effort to implement austere policies to stabilize its economy after what Torres described as the "financial chaos" left by the administration of Alan Garcia.

So far the Peruvian effort to achieve the country's readmission into the international financial community has run into the difficulty of forming a group of countries willing to grant credits to Peru to pay its debt to the three previously mentioned institutions and to finance the 1991 economic program.

The IMF is studying the program submitted by the previous Peruvian cabinet which resigned two weeks ago after 200 days in the government. The new cabinet announced that it plans to make additional adjustments to the program which will probably lead to a new round of negotiations with the multilateral organizations.

Institute Reports Feb 9.4-Percent Inflation Rate

PY0103205091 Lima RTP Television Network in Spanish 1800 GMT 1 Mar 91

[Summary] Felix Murrillo, president of the National Statistics Institute, has reported that the inflation rate for February was 9.4 percent. The inflation rate for the first two months of this year therefore totals 28.9 percent.

Uruguay

Government Agrees to UN Request for Peace Forces

PY0203142091 Montevideo Radio El Espectador Network in Spanish 1000 GMT 2 Mar 91

[Text] Foreign Minister Hector Gros Espiell has reported that Uruguay will designate ambassadors to Saudi Arabia and Baghdad, Iraq. The Uruguayan ambassador to Saudi Arabia was removed during the last months of the Colorado Party administration due to financial measures affecting ambassadorial posts. In this regard, Dr. Gros Espiell said the first [as heard] Uruguayan ambassador to Saudi Arabia will soon be designated. Concerning policy in the Middle East, the minister announced that Uruguay will pursue the policy it had adopted before the war; that is, it will begin steps to designate an ambassador to Baghdad.

The minister confirmed a previous report that Uruguay agreed to a request from UN Secretary General Javier Perez de Cuellar for Uruguayan soldiers who are now in the Sinai to oversee the peace agreement on the Iraqi-Kuwaiti border.

The Uruguayan Government yesterday decided to grant the request by Perez de Cuellar, who asked for the participation of Uruguayan military personnel in the peacekeeping force that will be sent to the Persian Gulf to oversee the withdrawal of forces from that area.

Gros Espiell said that Uruguayan soldiers will be sent to the area if the United Nations approves the plan that Perez de Cuellar is drawing up. This plan seeks to control and enforce all the UN resolutions affecting border problems along the Iraqi-Kuwaiti border.

The possibility that Uruguay, Venezuela, and Ecuador might participate in the UN peacekeeping force had already been mentioned. The UN force will control the withdrawal of Iraqi and allied forces from the Persian Gulf area.

Gros Espiell said that for this new Uruguayan contribution to the UN peacekeeping force, Uruguayan soldiers who are now at the Iraqi-Iranian [as heard] border will be transferred to the Iraqi-Kuwaiti border. He added that the soldiers will be substantially reinforced.

Plans To Exchange Food for Cuban Medicine

PY2502220091 Madrid EFE in Spanish 1512 GMT 25 Feb 91

[Text] Montevideo, 25 Feb (EFE)—Upon arriving from Cuba today, Uruguayan Public Health Minister Alfredo Solary announced that Uruguay and Cuba will exchange food for vaccines.

The Uruguayan Government is interested in buying Cuban biological products, especially vaccines for meningitis and hepatitis and some reagents to aid in the diagnosis of epidemic illnesses "that the Cubans are producing with high quality standards," Solary said.

The Cubans are interested in buying food, "which means that we will soon establish cooperation channels," he added.

After a 20-year interruption, Uruguay resumed diplomatic relations with Cuba in October 1985; since then trade, political, and cultural contacts have increased.

In the next few days, four Uruguayan congressmen who represent all the Uruguayan political parties in Congress

and are also medical doctors will travel to Havana to learn about the scientific and medical progress of Cuban experts.

French Guiana

Ariane-42 Rocket Launched Successfully 2 Mar

PA0303014791 Paris AFP in Spanish 0052 GMT 3 Mar 91

[Text] Kourou, French Guiana, 3 Mar (AFP)—European Ariane rocket flight number 42, launched Saturday night from the Kourou Space Center, French Guiana, was completely successful in its mission of placing in orbit the two satellites it had on board, those responsible for the flight have reported.

The Luxembourg Astra-1B direct television satellite, which belongs to the European Satellite Association (SES), and the Meteorology MOP-2 satellite, owned by the European Space Agency (ESA), were placed in orbit with total precision, the same source reported.

Due to two minor technical problems, the launch had to be postponed for 24 hours on Friday. Today's launch went off with mathematical precision.

The model used for lift-off was an Ariane-44LP, with two rocket boosters. The satellites on board, weighing 3.3 tons on takeoff, did not require the more powerful Ariane-44L, equipped with four rocket boosters.

The launch occurred at 2336 GMT. The Astra-1B was placed in orbit 10 minutes and 22 seconds later, and the MOP-2 24 minutes and 35 seconds after the launch.

This success, the second in 1991, confirms the Arianespace site as the first "space transport center," which has already launched 34 satellites—that is, half the world's market.

This year nine flights are planned. The next one, in which a Canadian telecommunications satellite will be placed in orbit, is scheduled for this coming 3 April.

Suriname

Netherlands Embassy on Future Closer Relations

FL1602135591 Paramaribo International Service in English 1730 GMT 15 Feb 91

[Text] According to the Dutch Government, Suriname must decide for itself how it could eventually cooperate closer in Holland. The Dutch Embassy in Paramaribo made this known yesterday in a press release following recent publications about a planned levy and audit. The Dutch Embassy has admitted that in the Dutch Government there is talk about the change of views on possible closer cooperation with Suriname in case, according to Holland, the democratic relations are restored.

The change of views is, according to the Dutch Embassy in Paramaribo, not yet been rounded off but the main said is that Holland doesn't want to impose a model on Suriname. [sentence as heard]

In the meantime, the ex-Dutch Minister of Foreign Affairs Wilhelm Fortman is also against the levy plan. Wilhelm Fortman, who has also been the chairman of a committee which negotiated Suriname's independence, is of the opinion that Holland may not make any suggestions which can influence the election campaign in Suriname. Wilhelm Fortman said that a levy plan is a form of neocolonialism and is something to laugh at.

Officials Comment on Lubbers' Commonwealth Idea

PM2402152791 Amsterdam DE VOLKSKRANT in Dutch 14 Feb 91 p 7

[Theo Klein report: "Commonwealth Plan Could 'Save' Suriname"]

[Text] Paramaribo/Amsterdam—"I am convinced that the Surinamese people would back the Lubbers plan if they were given the opportunity to voice their views directly. It is an excellent opportunity to bring Suriname out of its blind alley."

W. Lionarons, spokesman for the Association for Democracy in Suriname (ADIS), is enthusiastic about the idea suggested by a number of Netherlands ministers of entering into a sort of commonwealth relationship with Suriname.

Lionarons was chief editor of the Surinamese daily DE WARE TIJD. After his departure from Paramaribo he worked for Amnesty International and recently he has been active in ADIS. The group has united politically interested Surinamers in their efforts to restore democracy in their country.

According to Lionarons, the politicians in Suriname must pick up on the Lubbers plan and make use of it in the 25 May elections. "I do not expect our political leaders to do that. Really, the proposals for a new relationship with the Netherlands should have come from them, but with a rifle at your head you do not do much," he said in a clear reference to the power of the Army.

According to Lionarons, the only way to discover what the Surinamese people think about close ties with the Netherlands is a referendum. In his view, the outcome of such a vote is already clear. The Surinamers would view the reintroduction of the Netherlands guilder, the abolition of visa requirements, and the possibility of dual nationality as a helping hand.

Lionarons: "As long as the independence of Suriname is not at stake there is no problem." Yesterday there were cautious reactions in Suriname to the Lubbers plans. The Military Authority refused to comment. The assumption

is that the military under Bouterse's leadership are totally opposed to the new Netherlands plans.

They have always been violently opposed to dependence on their former colonizer. In particular, the idea of handing over the responsibility for Surinamese defense to the Netherlands can count on little support at Fort Zeelandia.

Yesterday National Assembly Chairman J. Lachmon was noncommittal. Lachmon, who is also chairman of the Hindustani-based Progressive Reform Party (VHP), wants to consult his coalition partners in the Front for Democracy and Development (the Suriname National Party and the Indonesian Peasants Party) before making his views known. "These are far-reaching ideas from the Netherlands. I was in favor of such a solution as long ago as 1975. At that time it was not acceptable to The Hague. Now it would seem that it is."

Lachmon sees the plan as a sign that the Netherlands is still concerned about the fate of Suriname. "It would seem that the Netherlands does not view Suriname as an ordinary Third World country. This is a very different reaction from the lukewarm attitude adopted by The Hague after the 1987 elections."

The National Assembly chairman said that the Netherlands initiative came as a surprise to him. Former Surinamese Deputy Prime Minister A. Haakmat casts doubt on this assertion. He is convinced that Surinamese politicians themselves prompted The Hague for the plans for a commonwealth.

After last year's Christmas coup Surinamese leaders reached the conclusion that a partial restoration of democracy is impossible to achieve. "The Netherlands and the United States had already realized this. Surinamese politicians, particularly those from the VHP, are now trying to to make their views known via the Netherlands."

According to Haakmat, the Netherlands ministers have allowed the plans to leak out intentionally. In this way the Surinamese people have been made aware of the possibilities they contain. Haakmat, who is now a lawyer in Amsterdam, also takes the view that the Netherlands ideas will appeal to the population.

The ball is now in the court of the politicians in Paramaribo. According to Haakmat, the question is whether they will dare to stand up to the military. "If not, this plan is abortive." According to Haakmat, the fact that the cabinet—because of internal divisions—has put the plans on ice does not mean that the game is over.

Foreign Minister Van den Broek has already made sure of the support of the United States and Venezuela. Brazil is still hesitating. Haakmat expects that the Organization of American States (OAS) will shortly call a meeting on Suriname at which the plan will surface again.

Haakmat: "If an initiative comes from the region it has a greater chance of success. With the idea at the back of people's minds that the Netherlands is prepared to accept responsibility for implementing the plans, the decisionmaking process in the OAS will go more smoothly."

Front Leaders Welcome Plan

PM2502115691 Amsterdam DE VOLKSKRANT in Dutch 15 Feb 91 p 3

[Wim Noordegraaf report: "Suriname Adapts Quickly to Commonwealth Plan"]

[Text] Paramaribo—Surinamese politicians from the Front for Democracy and Development, which was pushed aside by Army leader Bouterse at Christmas, have accepted with alacrity the "commonwealth plan" that is under discussion in the Netherlands at the moment. All parties know what powers of attraction the Kingdom of the Netherlands has over the Surinamese voter.

The leaked cabinet plans for closer ties with Suriname will be used as vote winners by the Front of politicians Arron, Lachmon, and Soemita. "It will again be: Vote for us, then you will be voting for Holland," fears F. van Russel of the Moederbond trade union.

He does not expect there to be much more discussion of the policy shortcomings of the last three years. "The Front has worked badly. They have not listened to the people. Nor has the development aid promised in 1987 arrived. The same sort of thing will now happen again," predicts Van Russel, who has called on his members not to vote for the Front a second time.

In 1987 the position of the military was on the hidden agenda. Later it became clear that the overwhelming majority for the old political parties was above all a vote against Bouterse. In election speeches at the time the Army was scarcely mentioned. It had been agreed with the army leader and his political party, the National Democratic Party [NDP], that a "dignified campaign" would be fought. After all, the place of the Army had already been fixed in the Constitution.

Paramaribo expects the same from the upcoming election campaign. Now that "democracy and development" are no longer believable promises after three years of indecision, the hidden agenda is all the more important. Suriname National Party [NPS] deputy chairman A. Jessurun does not rule out the possibility that after the elections a referendum on a commonwealth relationship will be held. "Or we will reach an agreement with the Netherlands with a two-thirds majority in the National Assembly," muses Jessurun, who, with the Netherlands wind in his sails, expects a resounding election victory. He expects that Bouterse and his party would wrongly oppose a commonwealth relationship, especially if such a relationship would provide a framework for Netherlands interference in the Surinamese Army. NPS circles expect that Bouterse's opposition would play into the

hands of the Front, because, by definition, many Surinamers do exactly the opposite of what Bouterse wants.

The fact that the Lubbers plan talks of monetary union, the abolition of visa requirements, and dual nationality is also to the advantage of the Front parties. Netherlands money, a "black passport," and an end to travel restrictions are music to Surinamers' ears.

Inside Bouterse's and Wijdenbosch's National Democratic Party there has been discussion of the commonwealth relationship since People's Party for Freedom and Democracy Second Chamber group chairman Bolkestein proposed establishing closer ties with Suriname. Bouterse is not expected to fall into the trap set for him. If, like the Front, the NDP does not particularly oppose a commonwealth, the Front will then be unable to use this in opposition to the NDP, it is thought. If the unions, the Front parties, and the NDP want to further study "good ideas" in the Lubbers plan and postpone consideration of the military paragraph, the commonwealth plan will miss its target and the election campaign will not be dominated by the "for or against Holland" issue.

The result then will probably be that the whole Surinamese political spectrum, including the NDP, will announce to the Netherlands their interest in talks on the "good things" in the accord. Bouterse will come to The Hague with the old political leaders, Arron, Lachmon, and Soemita. There are doubts in Paramaribo whether that was Lubbers' aim.